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Further Reportage on PECC General Meeting

Singapore Minister's Address

BK2403015194 Singapore THE STRAITS TIMES in English 23 Mar 94 p 2

[By Douglas Wong]

[Excerpts] Kuala Lumpur—Singapore is prepared to develop linkages with regional economic groupings such as the North America Free Trade Agreement (NAFTA) to help take forward the process of open regionalism, Trade and Industry Minister Yeo Cheow Tong said yesterday.

Link-ups between the ASEAN Free Trade Area (AFTA), NAFTA and other countries such as Australia were the sort of inter-regional ties which could ensure that economic groupings in the Asia-Pacific region remained part of an open global trading system, he said.

He was speaking on the opening day of the 10th general meeting of the Pacific Economic Co-operation Council (PECC) on "Open Regionalism: The Way Forward".

Under AFTA, the six ASEAN countries will reduce their taxes and tariffs on trade between them to 5 per cent or less by 2008. NAFTA is a comprehensive free trade area comprising the United States,Canada, and Mexico.

Mr. Yeo told reporters yesterday that Singapore hoped an AFTA-NAFTA link could be developed along the lines of ASEAN's "6 minus X" formula.

Under this formula, those which are ready to proceed do so, while the others can join when they are ready.

He was elaborating on his comment during the Pacific leaders forum on open regionalism that while an AFTA-NAFTA linkage would take time to develop, "we are prepared to take smaller steps first".

He proposed in his speech that "concentric and overlapping circles of linkages" could reconcile regionalism with multilateralism and prevent the danger of trade blocs developing.

Singapore's concentric circles range from its Growth Triangle with immediate neighbours, Indonesia and Malaysia, through AFTA to the Asia Pacific Economic Cooperation (APEC) grouping, he said.

While all this collaboration was of mutual benefit to those involved, "economic relations cannot be conducted on the basis of strict geometry".

"These concentric circles of linkages have to be complemented by linkages that overlap or stretch across circles," he said. [passage omitted on Thai deputy prime minister's speech]

PECC's member committees come from the ASEAN countries, Australia, Canada, Chile, China, Colombia, Hong Kong, Japan, South Korea, Mexico, New Zealand, Peru, Russia, Taiwan, the United States, and the Pacific island nations.

Thai Minister Promotes AFTA Role

BK2503050194 Bangkok Radio Thailand Network in English 0000 GMT 25 Mar 94

[Text] Minister of Commerce Uthai Phimchaichon told the 10th international general meeting of the Pacific Economic Cooperation Council that the setting of the ASEAN Free Trade Area, or AFTA, is needed to promote the current multilateral trade system in the region. Minister Uthai made the remarks in his speech to about 600 representatives from 21 countries in Asia and the Pacific at the conference held in Malaysia during 22 to 24 March 1994. He said while countries in the world have moved since 1980 toward groupings as regional trade blocs and Europe has already declared its single market in 1990, the Asian region should consider the ASEAN Free Trade Area, or AFTA, to increase its efficiency to survive and take advantage of the ASEAN wide market.

He recommended that AFTA be a potential tool for trade promotion in the region. He said that the free trade system will lead the Asian region and ASEAN to the world market as well as to induce foreign investors to the region.

SRV's Do Muoi Addresses Meeting

BK2503013294 Hanoi VNA in English 1531 GMT 24 Mar 94

[Text] Hanoi VNA March 24—General Secretary Do Muoi held a cordial meeting with delegates attending the 10th General Meeting of Pacific Economic Cooperation Council (GMPECC) in Kuala Lumpur, Malaysia. On behalf of the participants, Mr. Zainal Abidin Sulong, president of the GMPECC welcomed Mr Do Muoi and hailed the achievements recorded by the Vietnamese people during their current renovation process. He stressed that Vietnam has gained a number of achievements on economic, cultural and social fields. Vietnam is now a promising and dynamic country. He also praised Vietnamese open-door foreign policy and held that Vietnam has made great contribution to the stability, cooperation and development in the region as well as in the world. After that General Secretary Do Muoi addressed at the GMPECC. Followings are main parts of his speech:

We Vietnamese have always been conscious that Vietnam is an inseparable part of the Pacific, and together with the peoples on the rim of this vital ocean area, we have always shared the sorrows at disasters and the joys at good opportunities brought about to the region.

In observing the development curves on the Pacific Rim, we are deeply aware that as a country with thousands of years of history, endowed with rich and diversified resources, a very favourable geographic location and a people who are undaunted in struggle and industrious in labour, Vietnam has the conditions to quickly reach a high standard of development.

However, for the past nearly half a century, while other nations were enjoying peace and had favourable conditions to develop, the Vietnamese had to undergo one brutal war after another and suffered from enormous sacrifices to regain and defend their national independence and freedom, and to liberate and unify their country. A huge amount of bombs and ammunitions which exceeded even that used throughout World War II, was dropped on the small country of Vietnam, leaving our people in untold sufferings and lasting heavy consequences.

I have no intention to disturb your souls with this reminder amid this peaceful atmosphere in Kuala Lumpur, but only wish to say that the Vietnamese people have paid dear price to regain their most fundamental and sacred right as human beings, namely to live in independence and freedom that the Vietnamese people, not less than anyone else, long for a peaceful life to do all they can to build a prosperous country and that such an undaunted nation fully deserves a life of plenty and happiness.

It is with such a consciousness that we have persistently pursued our policy of 'renewal' to mobilize all resources of the society, tap to all potentials of the people and, at the same time, broaden our international cooperation along the line of diversification and multilateralization to materialize our goal of becoming 'a rich people, a strong country and an equitable and civilized society'.

We have made important initial achievements. Despite the major upheavals in the world, the profound changes in the countries of our traditional trading partners and the embargo, the Vietnamese economy never collapsed but has, on the contrary, shown upturns. From a country of chronic food shortages, having to import hundreds of thousands of tons of food a year, Vietnam has now become a food exporter, selling each year from 1.5 to 2 million tons of rice. The hyper-inflation which used to register at triple digits in the mid-1980's has gone down to only over 5 a year. In the meantime, the GDP has clocked an average annual increase of over 7 over the past three years and is laying the premise for a still higher growth in the coming years.

These achievements result from the self-sacrifices in labour of our people, and of our persistent policy for all-round renewal that has enjoyed the warm response from, and zealous implementation by, our entire people. They also result from the heartfelt support and assistance of our friends around the world. From this rostrum, I would like to express our sincere gratitude for that valuable support and assistance. The cause we are pursuing has no precedent. We, have thus to strenuously promote our sense of independence and sovereignty, and our creativity in research and carefulness in development, giving priority to economic renewal while carrying out political renewal in appropriate forms and with suitable steps. To catch up with the common momentum of development and gradually bridge the gap between our country and others in the region, we continue to consider economic development our central task, and will persist in our policy of all-round renewal and our open foreign policy of diversification and multilateralization.

Do Muoi on ASEAN Membership

BK2403161494 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 24 Mar 94

[Text] Vietnam said it will join ASEAN only when its membership in the grouping benefits all ASEAN and Vietnam. Do Muoi, the general secretary of the Vietnam Communist Party, said this at a question and answer session with participants of the 10th general meeting of the Pacific Economic Cooperation Council, PECC, in Kuala Lumpur this evening. He said Vietnam is currently studying the ASEAN working mechanism and will join the group when the situation is right. Mr. Do Muoi also said that ASEAN can contribute greatly to the rebuilding and modernization of Vietnam. He pointed out ASEAN can contribute to the economic well-being of Vietnam, especially in terms of technology. He hoped ASEAN member countries will invest more in Vietnam.

Malaysia is currently the 10th largest investor in Vietnam with a total investment of 400 million U.S. dollars.

When asked for Vietnam's opinion on the dispute over the Spratly Islands, Mr. Do Muoi said that all parties concerned in the claim to the islands should resort to action that will not raise tension in the region. He reiterated that the issue should be resolved either through bilateral or multilateral meetings.

Regional Telecommunications Battle Predicted

BK2503041194 Bangkok THE NATION in English 25 Mar 94 p B1

[Text] An Indonesian expert has predicted that demand for satellite transponders in the Asia-Pacific region will grow consistently in the near term, but suggested that those planning new systems should take the time to do more comprehensive studies.

Currently, only 64 per cent available satellite capacity is in use.

In a presentation before a Pacific Economic Cooperation Council (PECC) meeting, Wahyu Wi Jayadi, general manager of the Medan Division of PT Indosat Indonesia, said that with such a level of utilization, the tendency for each country or even private company to have its own system will increase competition among satellite capacity providers despite continued growth in demand. New system planners must be wary.

Speaking on the topic "The Emerging Demand for Satellite Communications in the Pacific Rim", Wijayadi said, "There is no doubt that the demand for satellite transponders in the Asia-Pacific region will grow considerably in the near future. The demand is driven by several factors such as globalization, a trend which is (influencing) more and more sectors; the (high economic) growth in most Asia-Pacific countries and the climate of deregulation in the telecommunications industry which has become more concrete."

Another significant factor contributing to growing demand for satellite communication systems is the development of TV broadcasting systems in the region, he added.

In line with the rapid economic growth in the region, the International Telecommunications Union estimated that around US$100 billion will be invested in regional telecommunications development between 1992 and 2000.

The second factor is the pressing need to rectify the mismatch between demand and supply for access to a simple dial tone. Nearly 3 billion people in the Asia-Pacific region have access to only a little more than 115 million lines, translating to about one telephone line for every 26 people.

"Anticipating the future conditions of world economics, one of the tools that every country races to develop is a satellite communications system," he said.

Historically, most telecommunications operators in Asia-Pacific have been government or state-owned companies with a monopoly market structure. In order to catch up with developments in technology and consumer expectations of better quality service, governments have been forced to rethink these monopolies and to restructure the regulatory framework of the telecommunications sector in each country. The general objectives of the public sector in deregulating telecommunications are to improve the quality of services to the public and businesses, to create a climate more responsive to market demand, to encourage technological innovation in creating new services, to achieve a competitive tariff structure, to expand telecommunications businesses and find alternative sources to finance these developments.

In a dramatic development for broadcasters, satellites are being used to transmit television programmes. Several broadcasters using the technology have established a significant presence in the Asia-Pacific region—STAR TV, Prime Spot, MTV Asia, BBC World Service and others. This trend will also contribute to the growth in demand for satellite communications.

In the past, the telecommunications industry has not been customer driven, suppliers traditionally decided what their users would have and provided it to them as a service without alternatives. The industry has largely operated on the principle that supply creates demand. Market segmentation and the tailoring of products and services for specific customers have been precluded by regulations and by the complacency of non-competitive,industries.

But Wijayadi predicted that customers will have increasing influence as deregulation and technological development continue.

"End users of telecommunications must be viewed as customers. These consumers now have choices, and their applications driven needs for sophisticated telecommunications capabilities will exert pressure on vendors to respond to market demand."

A significant factor in the growing power of customers is the changing role of the telecommunications management function in client organizations. These changes are outlined in the accompanying table.

Satellite communications services in the Asia-Pacific region are served by several satellite systems including Intelsat and Inmarsat. There are four domestic Intelsat satellites in the Indian Ocean region providing public communications services such as telephone, telex facsimile and new Intelsat service such as IBS, IDR, Vista.

"Satellite communications systems are entering an era of increasing competition with more advanced technology. Global competitions have the tendency to be more unpredictable, and so it has become in the Asia-Pacific region," he noted.

Japan

ROK President Kim Continues Speeches, Meetings

Meets With Korean Correspondents

SK2503023894 Seoul YONHAP in English 0227 GMT 25 Mar 94

[Text] Tokyo, March 25 (YONHAP)—South Korean President Kim Yong-sam proposed Thursday [24 March] that his country, Japan and China work together to control environmental pollution and promote joint study of oriental medicine and other projects.

Kim made the proposal during a breakfast meeting at the guest house with Korean correspondents stationed here.

Declaring that Korea, Japan and China are the three most important nations in Asia, Kim said they must undertake joint study of their common culture based on Chinese characters.

As China is rapidly undergoing industrialization, Kim said the Yangtze River, which runs into the West Sea, is becoming more polluted and the three countries must tackle the problem immediately. The Chinese Government has already agreed to his proposal at the working-level, Kim said.

As for oriental medicine, Kim noted there were slight differences among the three countries but the basic principles remained the same. That is why they need to work together to develop the field further, he said.

Kim said he hopes to obtain agreement on these issues from Japanese Prime Minister Morihiro Hosokawa and Chinese President Jiang Zemin during summit talks.

Referring to the North Korean nuclear issue, Kim said developing nuclear weapons is a difficult undertaking but Pyongyang is not giving it up.

Kim said that when the North Koreans walked out of the inter-Korean contact last Saturday, the threat that "Seoul will turn into a sea of fire if war breaks out" was not just a personal remark by the chief delegate. He said he believed the statement came from North Korea's leadership.

President Kim also said China, in principle, does not want to see North Korea develop nuclear weapons. Since the world's eye is on China, Beijing would not do anything that would isolate it internationally, Kim said.

As a result, Kim expressed his belief that China would not use its veto power at the U.N. Security Council.

On other topics, Kim said he has accepted Emperor Akihito's apology Wednesday evening for the unfortunate past, or the Japanese colonial rule of Korea.

"His (the emperor's) apology was very clear and frank," Kim said.

"From now on, (South Korea) should stop demanding something from Japan, shake off the fetters of the past and look to future-oriented relations," he said.

Discusses 'Sea of Fire' Comment

SK2503133794 Seoul KBS-1 Television Network in Korean 1210 GMT 25 Mar 94

[Text] President Kim Yong-sam, meeting with ROK correspondents in Tokyo this morning, said that the remark made by the North Korean delegate at the inter-Korean working contact held last week threatening that North Korea is ready for war was premeditated and that he regards it as the remark of the highest person in authority in North Korea.

President Kim Yong-sam said that he thinks China basically does not want North Korea to develop nuclear weapons since China does not want to be isolated as a member of international community. President Kim said that he will be able to have frank exchange of views with Chinese President Jiang Zemin through summit talks with him on the measures to cope with the critical North Korean nuclear issue.

Says PRC Unlikely To Use Veto

OW2503044694 Tokyo KYODO in English 0422 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—South Korean President Kim Yong-sam indicated Friday he does not think China would use its veto power if the UN Security Council seeks to impose sanctions on North Korea over the prolonged nuclear inspections issue.

Kim told a breakfast meeting with Korean journalists stationed in Japan that China, in principle, does not want to see a nuclear-armed North Korea but it also does not want to choose a path that would isolate North Korea from international society.

Pyongyang's refusal to permit complete inspections of its nuclear facilities, suspected of being used in a secret nuclear weapons development program, was referred to the Security Council by the International Atomic Energy Agency (IAEA) earlier this week.

Beijing, Pyongyang's lone major ally, has repeatedly said it opposes trade and economic sanctions against North Korea.

Security Council members, however, are reportedly drawing up a resolution without sanctions that calls upon Pyongyang to accept complete IAEA inspections but analysts have suggested that the next step would be a resolution calling for sanctions.

Kim is currently in Tokyo meeting Prime Minister Morihiro Hosokawa and will travel to China on Saturday calling for support in demanding North Korea be transparent with its nuclear program.

Views 'Nuclear Holocaust' Issue

OW2503084494 Tokyo KYODO in English 0820 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—South Korean President Kim Yong-sam urged North Korea on Friday to accept unimpeded inspection of its nuclear facilities to prevent an outbreak of a "nuclear holocaust."

"We must thus prepare a solid blueprint for peace. We must strive to establish a world free from the fear of war and nuclear holocaust. In this context, North Korea's lack of nuclear transparency is an ever more urgent issue," Kim told a lecture meeting at Japan's prestigious Waseda University.

His remarks came one day after Hans Blix, director general of the International Atomic Energy Agency (IAEA) reported to a meeting of the U.N. Security Council that North Korea broke its vow to allow IAEA inspectors full access to nuclear facilities.

Kim, dressed in a purple and black academic gown given to him by Waseda officials, issued the appeal in front of some 1,000 Japanese and South Korean students, academics and journalists who packed the university's Okuma auditorium.

Minutes before, Kim was awarded the university's honorary doctorate. Some 400 South Korean students are studying at the university out of a total student population of 46,000.

During the president's speech, about 200 ultraleftist radicals demonstrated outside the hall, demanding the cancellation of the South Korean Government's plan to deploy a Patriot antimissile system to counter North Korean ballistic missiles.

The president, now on a three-day official visit to Japan, denounced the Pyongyang government for defying the IAEA's demands for full inspection of its nuclear facilities in Yongbyon, some 90 kilometers north of Pyongyang.

"It is depressing that North Korea continues to disregard the global demand for its nuclear transparency, casting a dark cloud over the Korean peninsula and the future of the Asia-Pacific region," the president said.

In his speech entitled, "A Blueprint for a New Asia and a New World," he said, "During this past century of Western inroads into the East, Asia was thrown into a state of shock and confusion. From that point on, Asia has been anxious to catch up to Western civilization."

"Now however, the world's center stage is shifting to the Pacific and East Asia is becoming the focus of world attention. Asians should now reflect on themselves and see Asia in a new light. We Asians must join hands to build a new Asia and a new world as well," he said.

"Our two peoples should discard past prejudices for good and accept each other with open hearts and minds. We should honestly recognize the truths of history and have the courage to accept their lessons. A nation that fails to learn these lessons is bound to repeat past mistakes. We should join hands to shape a fulfilling future based on mutual trust."

"To that end, young people of both countries, who are not steeped in old attitudes, must take the lead. If our young people march onward hand in hand, the future of the Asia-Pacific region will be ever more peaceful and fruitful. Our future hinges on their resolve and deeds," the president said.

In the afternoon, Kim delivered a speech at Tokyo's Waseda University, where he elaborated on his vision of a "blueprint for a new Asia and a new world."

Kim urged North Korea to accept unimpeded inspection of its nuclear facilities to prevent an outbreak of a "nuclear holocaust."

"We must strive to establish a world free from the fear of war and nuclear holocaust," Kim told a lecture meeting at Japan's prestigious Waseda university. "In this context, North Korea's lack of nuclear transparency is an ever more urgent issue.

"It is depressing that North Korea continues to disregard the global demand for its nuclear transparency, casting a dark cloud over the Korean peninsula and the future of the Asia-Pacific region," the president said.

"During this past century of Western inroads into the east, Asia was thrown into a state of shock and confusion. From that point on, Asia has been anxious to catch up to Western civilization.

"Now, however, the world's center stage is shifting to the Pacific, and East Asia is becoming the focus of world attention. Asians should now reflect on themselves and see Asia in a new light. We Asians must join hands to build a new Asia and a new world as well," he said.

'Text' of Kim's Address to Diet

OW2503040994 Tokyo KYODO in English 0352 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—The following is the official translation of the prepared text of South Korean President Kim Yong-sam's address to a joint session of the Japanese parliament Friday.

(Toward a new era of friendship and cooperation)

The honorable Takako Doi, speaker of the House of Representatives, the honorable Bunbei Hara, president of the House of Councilors, distinguished members of both houses of the Diet,

Today, I have the honor of standing on the podium of the Diet, a major symbol of Japanese democracy. I am especially moved by this because I have been a firm believer in parliamentary democracy all my life.

First, I would like to take this opportunity to convey warm and friendly greetings from the Korean people to the people of Japan. I am grateful to you for having arranged this significant occasion for me. And I salute you for pressing ahead with political reforms in your country.

Distinguished members of the Diet,

It was 100 years ago, in 1894, that Japan and China fought against each other on the Korean peninsula. Having won this Sino-Japanese war, Japan eventually crushed Korea under its feet. Though Korea was liberated in 1945, it was quickly divided into the South and the North and subsequently suffered a horrible fratricidal war. Korea still bears the national pain of being the only and last divided land on earth. As such, Korea-Japan relations for the past 100 years have tended to be marked more by strife and friction than by goodwill and cooperation.

On behalf of the people of the Republic of Korea, I hereby propose to you and the Japanese people that we close this century of strife and friction and open a new era of genuine bilateral friendship and cooperation.

In recent times, the Japanese people have achieved glistening national development. I believe the spirit of hard work and the unity of the Japanese people have combined with outstanding government and business leadership to make Japan as it is today.

Japanese citizens from all walks of life greatly encouraged and supported me during the difficult times of my struggles for democracy. The steady advancement of Japanese democracy inspired me with the confidence that democracy could thrive in the Republic of Korea also, and I was able to refute the allegations that Asian soil was not fit for democracy to take root. I came also to be convinced that rapid growth could be achieved under democracy. It is my belief that increasingly close ties have been developing between the Republic of Korea and Japan on the strength of our shared ideals not only of market economics but of democracy as well.

Over the past year, the Republic of Korea has pursued drastic change and reform in all aspects of national life. In particular, our determination to carry out political reforms and root out misconduct and corruption has never wavered. The enforcement of the law requiring public officials to register and disclose their assets has eliminated room for corruption among government officials and politicians. The real-name financial transaction system has severed collusive links between politics and business. Political reform bills have become law, fundamentally transforming electoral practices and political behavior.

Korean democracy has thus come of age. Political reforms in both Korea and Japan are sparking reforms throughout Asia. Prime Minister Hosokawa and I have congratulated each other on the successful pursuit of reforms in each other's country. This is fostering a fine tradition of amity between the leaders of Korea and Japan. I would like to take this occasion to pay tribute to you once more for having embarked on an avenue to reforms in response to a call of the times.

Distinguished members of the Diet, citizens of Japan,

The world is now changing ever more rapidly. It is moving away from an age of distrust and confrontation and into an era of reconciliation and cooperation. Our planet is shrinking into one global village. National borders are being lowered, and global and regional cooperation is gaining force.

The prediction of Toynbee that 21st century would be a Pacific century is coming true. Koreans and Japanese should now share new dreams—dreams of a new Korea-Japan relationship, of a new Asia-Pacific region, of a new world. We should share a lofty and grand vision encompassing the spacious Pacific that can strike a responsive chord in the minds of two billion Asians. We must work together with a new attitude in order to realize such dreams.

Saneatsu Mushanokoji, a noted Japanese novelist, painted a tomato and an eggplant on a large white dish and wrote on it: "I am I, you are you, but we should get along." But we should move beyond the implications of this beautiful work of art. Now is the time to build a larger regional community with a spirit of coexistence and shared prosperity, even while maintaining our own identities and diversity. In this way, we should be able to March into an Asia-Pacific age of peace and prosperity.

Distinguished members of the Diet,

Now, the peoples of Korea and Japan must open their hearts and minds to each other. We must put the past completely behind us. The Korean people are willing to look ahead and build a brighter future. To help forge a new Korea-Japan relationship crucial to ushering in a new Asia-Pacific age, the Japanese people should also muster the courage to squarely face the truths of history and live up to their lessons. We must not allow emotional residue or ethnic prejudices to remain unabated and obstruct the development of a mature bilateral partnership.

In this context, I believe it is very important to promote goodwill and amity between the Korean residents in Japan and Japanese citizens. We have a saying in Korea which goes, "your neighbors are your cousins." Korea and Japan have long been "cousins." Should such close neighbors fail to build genuine mutual trust, it would be difficult for them to win the trust of others.

Our two countries must now forge new ties of cooperation with new attitudes and new visions. The imperatives of the post-Cold War international situation urgently call for such a cooperative relationship. In particular, complementary bilateral economic cooperation is a mandate of the new times. We must endeavor to build ties of economic cooperation according to economic, rather than political, logic.

Distinguished members of the Diet,

Our two nations should work closely together to remove impediments to the peace and prosperity of this region with a new spirit of mutual trust and cooperation. In this regard, I take this occasion to thank your country for cooperating with us in the efforts to resolve the North Korean nuclear issue. The Republic of Korea firmly adheres to the position that the terms of the South-North Joint Declaration of the Denuclearization of the Korean Peninsula must be implemented without fail. We have thus been patiently endeavoring to peacefully resolve the North Korean nuclear issue through dialogue. Recently, however, North Korea has dishonored its international commitments: It has not only failed to properly deal with IAEA inspections but has also unilaterally broken off South-North dialogue. It is most regrettable that in that way the North has exacerbated suspicions about its nuclear intentions.

Both the Korean and Japanese peoples have acutely experienced the horrors of war. Japan is the first and only country ever to suffer a nuclear attack. Korea is the first country to undergo a fratricidal ideological war. Spurred on by this shared bitter experience, we must strive together to take the lead in building lasting peace throughout this region. We must cooperate even more closely to prevent the proliferation of weapons of mass destruction and bring under control arms races in the Asia-Pacific region. The time has come to initiate multilateral cooperation to ease tension and promote the common security of this region.

Korea and Japan should also more closely pull together to induce openness and reform in North Korea and to promote the cause of peaceful unification of South and North Korea. Korean unification would greatly contribute not only to easing regional tension but also to boosting regional exchange and cooperation. This would serve to develop northeast Asia into the hub of prosperity in the Asia-Pacific region.

My view is that such developments would certainly be in the national interest of Japan as well. I am certain that a unified Korea would be a trustworthy partner for Japan. I hope the people and Government of Japan will even more actively support Korean unification.

Last but not least, I want to emphasize that our two countries must work closely together to promote coexistence among and the shared prosperity of all countries in the Asia-Pacific region. My view is that the future of the Asia-Pacific will be largely swayed by the triangular cooperative ties among Korea, the United States and Japan as well as cooperation among all Asian nations. The triad of Korea, the U.S. and Japan is the key to the coexistence among and shared prosperity of Asian nations and is central to the development of a Pacific community.

By furthering these ties of cooperation, our two countries should be able to advance the peace and prosperity of Asia as a whole. Moreover, such efforts would lead to an early materialization of an Asia-Pacific community. The Republic of Korea is willing to join forces with Japan and China in playing responsible roles to that end.

The world is keenly watching Japan's efforts to sharply change its course: Changes in Japan are bound to have a major impact not only on Asia but also on the world at large.

As long as each and every member of the international community remains obsessed solely with its own prosperity, we will hardly be able to develop the whole world on a genuinely communal basis. Without a balanced development of this region, we can hardly expect genuine regional peace. To this end, we must also redress any excessive and persistent imbalance in economic relations between nations.

Korea, Japan and China must join forces to play a joint central role to create a new Asia that will be able to contribute ever more greatly to the betterment of mankind. In the past century, the Pacific was often battered by political typhoons and quakes. Anticipating a Pacific age in the early 21st century, Korea and Japan should take joint responsibility for leading the effort to turn the Pacific into an ocean of peace and prosperity.

To that end, it is imperative first to make the strait that divides our two countries into a sea of friendship and cooperation. I believe that before long, Koreans and Japanese will be able to travel to each others' countries as if they were traveling around their own lands. I believe that Tokyo, Seoul and Beijing will become truly next-door neighbors in the near future. Let us dash together toward that goal.

I hope from the bottom of my heart that my speech today will be a new landmark in our progress toward a genuine Korea-Japan partnership.

Thank you.

Urges East Asian Cooperation

OW2503132794 Tokyo KYODO in English 1309 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—South Korean President Kim Yong-sam said Friday [25 March] a nuclear-free peace will come true in East Asia with joint efforts and cooperation by South Korea and Japan. Kim referred to North Korea's suspected nuclear weapons program in a banquet hosted by Japanese Prime Minister Morihiro Hosokawa.

"(North Korea) has threatened peace in this region. But cooperation between South Korea and Japan will surely bring a nuclear-free peace to (the region)," he said.

The South Korean president, who arrived in Tokyo on Thursday for a three-day visit, said he expects both countries will overcome a transitional period through close cooperation and mutual trust.

Prior to the speech by Kim, Hosokawa said that the building-up of relations of trust between Japan and South Korea will begin with addressing the past frankly.

Hosokawa touched on Japan's colonial rule of the Korean peninsula from 1910 to 1945, saying, "studying the lessons of the history from now on is a way of strengthening partnership (between Seoul and Tokyo.)"

He said it is important for Japan and South Korea to cooperate on every field to develop and stabilize relations between the two nations.

Hosokawa said such cooperation will convince Japan and South Korea that they are irreplaceable partners in an international society.

Among those who attended the banquet were former Prime Minister Noboru Takeshita, former Foreign Minister Michio Watanabe and Liberal Democratic Party President Yohei Kono.

Hosokawa Urged Not To Impose DPRK Sanctions

OW2503122294 Tokyo KYODO in English 1105 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—The leader of the biggest party in Japan's seven-party coalition urged Prime Minister Morihiro Hosokawa on Friday [25 March] not to go along with a multilateral move to slap economic sanctions on North Korea.

Social Democratic Party Chairman Tomiichi Murayama said he pushed the request in a meeting Friday with Hosokawa at the premier's official residence. "I told the premier that even the U.N. Security Council would not be able to reach an agreement (to impose the sanctions) easily," he told reporters as he stepped out of the room where he held talks with Hosokawa.

"I asked the premier to respond cautiously regarding the North Korean matter," Murayama said. He quoted Hosokawa as replying to him on the spot, "it may be so."

The premier's remark came one day after he told South Korean President Kim Yong-sam, "if the U.N. Security Council adopted a resolution (to impose economic sanctions), Japan will take a responsible step (to comply with the resolution) within the boundary of the Constitution."

Vice Foreign Minister Kunihiko Saito told a lecture meeting Thursday the premier's vow to act in accordance with the Constitution implies Japan's readiness to revise laws to impose economic sanctions.

The United States has been asking Japan to block the annual flow of cash remittances to North Korea from the pro-Pyongyang Korean community, whose size Japanese intelligence reportedly estimated at 180 to 200 billion yen.

The SDP, which has long maintained friendly ties with the (North) Korean Workers' Party, has consistently balked at Japan's possible participation in the economic sanctions.

The U.N. Security Council is now sketching out a resolution following Thursday's report to it by Hans Blix, director general of the International Atomic Energy Agency, that Pyongyang broke its vow to allow its inspectors to take samples of radioactive materials from its suspected nuclear arms facilities.

DPRK Issue Said Discussed With ROK, U.S.

OW2503023694 Tokyo KYODO in English 0226 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Japan has been discussing North Korea's suspected nuclear weapons development program with South Korea and the United States to formulate its own policy on the issue, Prime Minister Morihiro Hosokawa said Friday.

Chief Cabinet Secretary Masayoshi Takemura told a news conference that the premier told cabinet members he had compared notes on the nuclear threat from North Korea with visiting South Korean President Kim Yong-sam. He also said Tokyo has been discussing the issue with Washington, the top government spokesman said.

But Hosokawa said it will take time before the government decides on its own policy to help resolve the North Korea issue.

Meanwhile, Takemura welcomed Russia's proposal to hold an international conference on Pyongyang's nuclear program, adding that Tokyo will seek further information about the proposal from Moscow.

Russia on Thursday proposed the holding of an international parley on the issue, saying it should be attended by Russia, China, the U.S., Japan, and North and South Korea, as well as representatives of the International Atomic Energy Agency (IAEA) and the United Nations secretary general.

Automakers Propose Trade Talks With U.S.

OW2503004894 Tokyo KYODO in English 2252 GMT 24 Mar 94

[Text] Tokyo, March 25 KYODO—Japanese automakers have proposed resumption of their talks with American carmakers to help break an impasse in bilateral framework trade talks.

In its "action plan for international cooperation," the Japan Automobile Manufacturers Association on Thursday [24 March] also proposed inviting smaller parts makers in the U.S. to regular business negotiations between Japanese carmakers and major U.S. parts makers.

The action program was published to coincide with the government's planned market-opening measures to be announced shortly. It is apparently designed to help break the ice in the framework trade negotiations, which broke down in February.

The private-sector talks were held twice in 1992 but no bilateral discussions have taken place since.

Following the program, Japan's five biggest carmakers including Toyota Motor Corp. and Nissan Motor Co. will separately announce individual schemes for purchases of U.S parts.

Minister Fujii Rules Out Extending Tax Cuts

OW2503021594 Tokyo KYODO in English 0208 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Finance Minister Hirohisa Fujii on Friday ruled out any pledge to repeat this year's tax cuts in a package of market-opening measures to be announced next week.

Despite suggestions in the government that a renewal of the 6 trillion yen cuts in income tax and resident's tax be written into the package due by month's end, Fujii told a regular press conference after a morning cabinet meeting that he "can't imagine" including further cuts without specific financing.

He repeated that the ruling parties have vowed to enact permanent tax reform by year's end, saying it is now under "serious debate." The tax overhaul is expected to cut income taxes and raise such indirect levies as the consumption tax.

Fujii declined comment on a reported basic agreement by the ruling coalition and opposition parties to spell out the extension of the tax cuts as an addendum to a tax revision package now under deliberation in the Diet.

He said the coalition and opposition parties "are still in the stage of discussing" the idea.

Fujii said there is little time to include new items in the package due out next Tuesday. But he said "things are moving and may change," suggesting that new macroeconomic measures could be included later.

He said he did not discuss macroeconomic measures when he met Chief Cabinet Secretary Masayoshi Takemura on Thursday.

But Takemura, the chief government spokesman, told a separate press meeting Thursday that while he wants to show the "direction" of government policy on tax cuts and other macroeconomic measures in the March package, details would take until June to work out.

Takemura also said he "fully recognized" the Finance Ministry's "unchanged" stance.

In Friday morning's press meeting, Fujii said the government's policy on the package remains unchanged to "take voluntary actions on four items and in three priority areas" in the Japan-U.S. framework talks.

U.S. officials have said that a single-year tax cut is insufficient to spur domestic demand and help cut Japan's trade surplus, and have called for additional macroeconomic measures.

They have also said the U.S. will assess the possibility of resuming the stalled framework talks based on Japan's March package.

Fujii said macroeconomic measures should be taken "voluntarily" and not as an international promise, and that this point had been agreed by Prime Minister Morihiro Hosokawa and President Bill Clinton at their meeting in February.

Asked about the effect of planned utilities rate hikes, Fujii said they would not offset the benefits of the tax cuts, noting that the planned hikes were assumed in the government's economic forecast for fiscal 1994.

Local Governments' FY '92 Tax Revenues Decline

OW2503015494 Tokyo KYODO in English 0144 GMT 25 Mar 94

[Text] Tokyo, March 25 KYODO—Taxes collected by local governments in fiscal 1992 shrank by 1.4 percent from the previous year to 34,568.3 billion yen due to the country's prolonged economic slump, according to a government report released Friday [25 March].

The report submitted by Home Affairs Minister Kanju Sato to the day's regular cabinet meeting said local tax revenues for the year that ended March 31, 1993 were down for the first time since fiscal 1975.

The report, however, said local governments' total revenues, including local taxes and subsidies from the central government, came to 91,423.8 billion yen in fiscal 1992, up 6.7 percent from the previous year.

Expenditures by local governments increased 6.9 percent to 89,559.7 billion yen, according to the report.

The amount of bonds issued by local governments reached 10,099.7 billion yen, representing an increase of 40.5 percent from a year before.

The figure brought the debt of local governments to some 79 trillion yen by the end of the fiscal 1992, the report said.

North Korea

Official Urges IAEA To Withdraw Resolution

SK2403154794 Pyongyang KCNA in English 1532 GMT 24 Mar 94

["Retractation of Unjust 'Resolution' of IAEA Secretariat Urged"—KCNA headline]

[Text] Pyongyang, March 24 (KCNA)—If the secretariat of the International Atomic Energy Agency (IAEA) failed to take steps to retract the unreasonable "resolution," we will be left with no other choice but to take practical measures commensurate with the widening partiality of the secretariat of the agency and the secretariat will be held wholly responsible for all the consequences to be entailed herefrom, said a spokesman of the General Department of Atomic Energy of the Democratic People's Republic of Korea in a statement today.

He said:

At the recent meeting of the board of governors of the International Atomic Energy Agency, the forces hostile to the Democratic People's Republic of Korea adopted an unreasonable "resolution" against it in defiance of the opposition of many countries and presented it to the United Nations Security Council.

This indicates that the IAEA Secretariat is further internationalizing the DPRK's "nuclear issue," joining the hostile forces in the efforts to stifle the DPRK, and is further widening its partiality, instead of rectifying it.

"The resolution" alleged that "the noncompliance with the safeguards agreement has grown in scope" because we did not allow some of the activities for the continuity of safeguards. This is an assertion totally reversing black and white.

Now we are in a special status with the temporary suspension of the effectuation of the DPRK's declared withdrawal from the nuclear Nonproliferation Treaty. So, we are not under obligation to accept routine and ad hoc inspections under the safeguards agreement.

What we can allow at this moment is only an inspection for the maintenance of the continuity of safeguards.

The latest inspection by the inspectors group of the IAEA was enough to fully confirm that nuclear materials had not been diverted at our nuclear facilities and definitely maintain the continuity of safeguards.

Therefore, no one can find fault with the results of the recent inspection, saying they are "not satisfactory", and charge the DPRK with "non-compliance with the safeguards agreement."

We cannot but take a serious view of the fact that the "resolution" urged the DPRK to "immediately allow the IAEA to complete all requested inspection activities as the first step and to comply fully with the safeguards agreement."

During the recent inspection, we fully allowed all inspection activities needed for maintaining the continuity of safeguards in accordance with the Vienna Agreement, and we have nothing more to "allow."

The director general of the IAEA himself in his report and address at the meeting of the board of governors admitted that all inspection activities had been carried out satisfactorily as demanded by the IAEA Secretariat at most of the nuclear facilities.

As for the smear-taking in the glove box area at the radiochemical laboratory, with which the IAEA Secretariat takes an issue, it has nothing to do with the maintenance of the continuity of safeguards.

So, the insistence on smear-test in this area contradicts the Vienna agreement, which says that "this inspection does not include the verification of the completeness of the initial inventory of nuclear material."

Moreover, the smear-taking at the area is a matter of relevance to "inconsistency", an outstanding issue between the two sides.

However, out of the spirit of cooperation, we proposed the method of taking samples of tracer liquid whereby to inspect more effectively the glove-box area.

This liquid is what the Secretariat of the IAEA had put into the three tanks in the glove-box area during their earlier inspection to freeze the outflow of nuclear material in the area. Accordingly, solution samplings were enough to verify whether or not nuclear material had been diverted in the area.

The inspectors group itself agreed to our constructive proposal and took samples of tracer liquid there.

This notwithstanding, the IAEA Secretariat argued in a far-fetched manner that they could not "verify that no processing activities had occurred at the radiochemical laboratory", simply because their request to make a few smear tests was not accepted. This is unreasonable either from the scientific-technological point of view or in view of the Vienna agreement.

All the facts clearly prove that the purpose on the recent inspection by the IAEA Secretariat was not to verify whether nuclear materials had been diverted at our nuclear facilities, or not, but to pursue a sinister political aim from the beginning according to a pre-arranged strategy.

The IAEA Secretariat widened its partiality still further by adopting another unreasonable "resolution" at the meeting of the board of governors.

If the IAEA Secretariat really wants to see a fair solution to our nuclear issue it should take a measure to immediately withdraw its "resolution" based on the unjust assessment that the IAEA "could not draw any conclusion on whether nuclear materials had been diverted" to DPRK's nuclear facilities.

ROK, Japanese Media on IAEA Report to UN

YONHAP Notes Plutonium 'Diverted'

SK2503025494 Seoul YONHAP in English 0244 GMT 25 Mar 94

[Text] United Nations, March 24 (YONHAP)—North Korea refused to let the International Atomic Energy Agency (IAEA) fully check its seven declared nuclear sites during March 3-14 inspections, IAEA Director-General Hans Blix told the U.N. Security Council on Thursday.

In a press conference after his report to the Security Council, Blix said that North Korea is capable of producing plutonium needed to manufacture atomic bombs and that the Stalinist country may have more plutonium than it has admitted.

As North Korea refused to allow IAEA experts to examine a radiochemical laboratory, one of seven declared nuclear facilities, the IAEA cannot verify the laboratory has not produced plutonium since February 1993 when it was last inspected.

To determine whether the laboratory has produced plutonium, sampling and gamma-ray tests are necessary, he added.

Blix said he does not know whether North Korea has the capability to produce nuclear weapons, but the IAEA has concluded that Pyongyang diverted plutonium from spent nuclear fuel on several occasions as a result of its inspections. This means the North Koreans have secured far more plutonium than they admitted in the gram unit.

KYODO Cites Pyongyang Argument

OW2503050194 Tokyo KYODO in English 0451 GMT 25 Mar 94

[Text] New York, March 24 KYODO—The head of the International Atomic Energy Agency (IAEA) told the UN Security Council on Thursday [24 March] IAEA inspectors needed only three more days at North Korea's nuclear facilities to determine whether it is conducting a clandestine nuclear program.

IAEA Director General Hans Blix, whose inspectors visited North Korea from March 3 to 14, urged the Security Council to encourage North Korea to accept a short-term inspection to accomplish that goal.

British UN Envoy David Hannay indicated that the council members would respond positively to Blix's recommendation, telling reporters it remains important that the IAEA complete its inspections as originally intended.

The members were expected to confer on a draft resolution calling on North Korea to permit the inspections to be completed.

Blix briefed the council on North Korea's recent refusal of inspection of a key facility at its Yongbyon nuclear complex, which he said increased suspicion of its intentions.

IAEA inspectors were denied permission to collect samples at a radiochemical laboratory to help them determine whether reprocessing activities occurred there, which could imply diversion of plutonium for military use.

North Korea's official Radio Pyongyang, in a broadcast monitored in Tokyo on Friday, blasted the IAEA for adopting a resolution at its recent board of governors meeting referring the issue back to the UN Security Council for actions that could include sanctions.

Quoting from a statement issued Thursday by a spokesman for the General Department of Nuclear Energy, it warned that if the IAEA does not immediately retract the resolution then North Korea "will be left with no other choice but to take practical measures commensurate with the widening partiality of the agency."

The statement said North Korea is under no international legal obligation to accept routine and ad hoc inspections since it now has a "special status" by virtue of its temporary suspension of an earlier declaration of intent to withdraw from the nuclear Nonproliferation Treaty.

It insisted that the latest IAEA inspection "was enough to fully confirm that nuclear materials has not been diverted."

Envoy to France: 'Ready for Dialogue,' 'War'

BR2503112794 Paris LIBERATION in French 25 Mar 94 p 20

[Romain Franklin report: "Pyongyang Ready for Dialogue... or War"]

[Text] Beginning today, the UN Security Council could consider adopting a resolution aimed at forcing the North Korean regime in Pyongyang to submit to inspections by the International Atomic Energy Agency (IAEA). Pak Dong-chun, the North Koreanrepresentative in Paris, told LIBERATION yesterday that his country will view the imposition of "economic or other" sanctions as a "declaration of war by the United States and those aligned with it, including France." His statements were confirmed by the official North Korean radio. "The situation on the Korean peninsula is at a very negative turning point," Pak Dong-chun said. He added that his country is "ready for dialogue, but also for all-out war, and that this is not just a lot of hot air."

South Korean President Kim Yong-sam, who began a tour of Japan and China yesterday to rally support from the two countries, warned that "there were limits" to South Korea's "patience." The South Korean Armed Forces were put on a state of alert on Wednesday.

The annual U.S.-South Korean military maneuvers known as Team Spirit—the holding of which was announced yesterday by Seoul—would have "catastrophic" consequences, according to Pak Dong-chun. "Dialogue is still possible," he explained, "but first the maneuvers must be canceled." The imposition of UN sanctions and the actual installation of 160 Patriot antimissile missiles which Washington decided to station in South Korea "could lead to North Korea's definitive withdrawal from the Treaty on the Nonproliferation of Nuclear Weapons [NPT]." Pyongyang, which ratified the treaty in January 1992, announced its withdrawal from the NPT in March 1993, although it suspended the withdrawal in June, just one day before it was to take effect.

Yesterday, Russia suggested convening an international conference to find "a comprehensive settlement" to the crisis. According to Moscow, this conference will have to bring together "Russia, China, the United States, Japan, North Korea, and South Korea, as well as representatives of the UN secretary general and the IAEA director general."

Possible U.S. Sanctions Seen as War Declaration

SK2403150094 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 24 Mar 94

[Commentary by Kim Ho-chun: "We Mean What We Say"]

[Text] The U.S. warmongers are escalating the policy of crushing [apsal] the DPRK. As has been known, U.S. President Clinton on 22 March ordered Patriot missiles to be deployed to South Korea and, accordingly, some 40 missile launch vehicles and the Patriot missile battalion consisting of 800 troops began to move from Texas toward South Korea on the same day.

On the same day, the U.S. Government reviewed instituting new military steps, such as dispatching additional U.S. troops to South Korea, forward deployment of an aircraft carrier on the sea off the Korean peninsula, and arming the U.S. forces in South Korea and the South Korean puppet army with new antichemical military equipment.

Along with these steps by the Clinton administration, the hardline conservative forces in the U.S. Congress as well are making bellicose outbursts aimed at crushing us by force of arms. According to foreign press, Richard Gephardt, Democratic Party floor leader of the U.S. House of Representatives, urged the U.S. Government to deploy Patriot missiles to South Korea, to resume the Team Spirit nuclear war exercise, and to dispatch additional U.S. troops to South Korea.

In the meantime, Robert Dole, Republican minority leader of the U.S. Senate, also babbled about economic sanctions against us and said that the United States should urgently take the next stage steps, such as the resumption of the Team Spirit joint military exercise and additional dispatch of U.S. troops to South Korea in order to send necessary signals to North Korea.

These bellicose remarks by the leaders of the two major U.S. parties of both houses of the U.S. Congress show that not only the U.S. Government authorities but also the U.S. congressmen are following a more reckless road. What is more important, the hardline conservative forces of the U.S. Congress raved about so-called necessary signals to our republic.

These bellicose maneuvers of the U.S. Government authorities and other high-level political figures are leading the situation on the Korean peninsula to a situation where a war could break out at any time.

As has been reported, the U.S. Navy fleet consisting of 30 ships is positioned on the sea from which it can reach the territory of our republic in no more than 24 hours. On 22 March, the Japan Self-Defense Forces openly conducted a field maneuver of Patriot missiles on the Shariki base in Aomori Prefecture, Japan. TOKYO SHIMBUN dated 23 March reported that the missiles in this base are aimed at our republic.

Some time ago, Ichiro Ozawa, secretary general of Shinseito [Japan Renewal Party] of the seven-party ruling coalition, who is known to be a behind-the-scenes controller of Japan's Hosokawa government, said that Japan cannot sit still if a fire breaks out in a neighbor's house, asserting that Japan Self-Defense Forces can participate as UN Forces in case of emergency on the Korean peninsula. From this we can infer that the said field maneuver with Patriot missiles by the Japan Self-Defense Forces manifests the fact that Japan is accelerating full-fledged preparations to participate directly in the Korean war. This is a military move which we must regard as very serious.

Meanwhile, in South Korea as well, traitor Kim Yong-sam held a meeting of chiefs of staff of the three services of the puppet armed forces on 22 March and ordered the entire puppet armed forces to enter an alert posture. In the wake of this order, frantic war exercises are continuing all over South Korea aimed at our Republic.

The peace-loving people of the world are expressing deep concern over this tense situation created on the Korean peninsula and are urging the United States to give deep thought to the nuclear issue on the Korean peninsula. However, the United States does not listen to this demand, but continues to follow the road of confrontation and war.

However, no matter what political and diplomatic pressure and military threat and blackmail the United States may employ, they are unworkable to us. The more the United States puts pressure on us, the tougher our will to defend our sovereignty will be. This will of ours will turn out mightier than the U.S. nuclear weapon.

As we have already made clear, we will regard any U.S. sanctions as a declaration of war against us, and will strongly deal with it [kue kangnyokhi taechohae nagalkosimnida]. We mean what we say [urinun kyolko pinmarul haji anssumnida]. The U.S. hardline conservative forces should see the trend of the situation squarely and act with discretion.

U.S. Accused of 'Wanton Violation' of Agreement

SK2503053294 Pyongyang KCNA in English 0516 GMT 25 Mar 94

["U.S. Will Be Held Wholly Responsible"—KCNA headline]

[Text] Pyongyang, March 25 (KCNA)—In case the situation develops to an irrevocable phase in the wake of the rupture of the DPRK-U.S. talks caused by the perfidious acts of the United States, the United States will be held wholly responsible for it, warns NODONG SINMUN today.

The news analyst says:

We can get along with or without talks with the United States. We are not afraid of any kind of "sanctions."

Grave obstacles have cropped up in the process of a peaceful settlement of the nuclear issue on the Korean peninsula and the atmosphere of confrontation is getting more acute in this part of the world. This is entirely because the United States reversed the agreed conclusions reached at the DPRK-U.S. contact in New York and is pursuing the purpose of stifling the DPRK.

The United States announced later than the agreed date that it would suspend the Team Spirit joint military maneuvers in 1994 and open the third round of DPRK-U.S. talks on March 21. Worse still, when we accepted the inspection by the International Atomic Energy Agency [IAEA] for the continuity of safeguards and the working-level contact for the exchange of presidential envoys between the North and the South was resumed, the United States set such unreasonable preconditions as "satisfactory inspection by the IAEA" and "realisation of the exchange of presidential envoys between the North and South" which are not specified in the agreed conclusions. This was obviously a wanton violation of the New York agreement.

In raising the unreasonable preconditions, the United States sought to avoid implementing the New York agreement and, further, break up the third round of DPRK-U.S. talks.

It intends to isolate and stifle the DPRK with the nuclear issue and the DPRK-U.S. talks as an expedient.

After reversing the New York agreement, the United States openly revealed its intention to resume the Team Spirit exercises in 1994 and manipulated the dishonest quarters of the IAEA Secretariat to adopt an unjust "resolution" against the DPRK and demand a reinspection.

The United States has taken the "nuclear issue" of the DPRK to the United Nations Security Council in an attempt to intimidate it.

On the other hand, it is making a military threat to the DPRK by moving aircraft carriers and naval fleets close to the Korean peninsula and deciding to deploy Patriot missile units in South Korea.

The situation on the Korean peninsula is getting more grave hourly due to the United States and the South Korean puppets.

We will not allow ourselves to be a victim of the strong-arm policy and pressure of the United States, nor will we tolerate infringement on the dignity and sovereignty of the nation in any circumstance.

The United States must clearly know what the DPRK's position to carry into practice the measures proclaimed in the DPRK Government's statement of March 12 last year in face of its strong-arm policy and pressure means and what the consequences will be.

We do not like an empty talk, and we mean what we say.

We are prepared to cope with any event.

Those who attempt to solve the problem through a strong arm and pressure must know that they will not be safe, either.

U.S. Air Warfare Exercise Termed 'Provocative'

SK2503050994 Pyongyang KCNA in English 0439 GMT 25 Mar 94

["Criminal Act Bringing Situation to Brink of War"—KCNA headline]

[Text] Pyongyang, March 25 (KCNA)—The U.S. imperialists staged a provocative electronic aerial warfare exercise directed against the North of Korea in the air above the Oeyon islet, South Korea, in the daytime of March 23 with the mobilization of more than 200 warplanes of various types, according to military sources.

They also staged a war exercise in the air above Kapyong, Uijongbu, Yoju, Kunwi and Tanyang that night till early next morning with sorties of more than 300 fighter planes of various types.

On the 23rd, an RC-135 strategic reconnaissance plane flew over the Military Demarcation Line area for the purpose of aerial photographing and electronic reconnaissance on the strategic interior and all other areas of the North.

Formations of helicopter gunships belonging to the South Korean puppet army which were sent to support the ground attack operation in Paju County staged a missile strike exercise, while formations of transport helicopters flew over Yonchon County and Chorwon County, South Korean Kangwon Province, for an airlifting operation.

Meanwhile, formations of large transport planes carrying many aggression troops and death tools flew to the U.S.

Airforce bases in Osan and Kunsan from their overseas bases. The airlifted combat equipment was deployed in operational areas.

The war gambles of the U.S. imperialists and the South Korean puppets which are getting more reckless with each passing day are driving the situation of the Korean peninsula to the brink of war.

U.S.-Japan 'Collusion,' 'Conspiracy' Condemned

SK2503062094 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 24 Mar 94

[Text] Recently, military collusion and conspiracy between the United States and Japan have been further strengthened. Since such collusion and conspiracy is mainly aimed at our country, they are of an even more dangerous nature.

The United States and Japan are attempting to continually maintain the Japan-U.S. security treaty—the remnant of the cold war—on the pretext of instability on the Korean peninsula.

The U.S. and Japanese authorities jointly claimed at the first Japan-U.S. security consultative meeting held in Tokyo some time ago that the importance of the Japan-U.S. security treaty was further heightened following the cold war.

By raving about so-called regional instability, the United States is maintaining its armed forces deployed in advance areas in the Asian-Pacific areas including Japan, and is undisguisedly posing a military threat and pressuring our country.

Allowing the United States access to ports and land for military bases, Japan even offered to foot maintenance expenses. Furthermore, Japan welcomed the stationing of U.S. Forces—the basic factor for regional instability—in Japan, and is frantically running amok to realize its ambition of becoming a big military power to expand overseas with the United States on its back.

The amount of expenses shared by Japan to maintain U.S. Forces in Japan has increased 40 times since 1978 and reached $4.6 billion last year. Meanwhile, last year alone, the United States turned over $9 billion in military equipment required for the modernization of Japan's Self-Defense Forces.

The United States and Japan undisguisedly strengthened collusion and conspiratorial relations in an attempt to realize a theatrical missile defense system. The United States and Japan are even going to conclude a treaty on mutual adaptability [sangho yungtongsong] of materials and manpower in order for Japan to furnish unlimited logistical support to U.S. Forces in Japan in an emergency, including transportation vessels and manpower.

The U.S.-Japan military collusion against our country has entered a very grave phase at a time when the third round of DPRK-U.S. talks has been ruptured. During the period from mid-February to early March, troops of the 2d Division of the Northern District Command of Japan's Ground Self-Defense Force and U.S. Army troops based in the U.S. mainland staged a joint military exercise on the Kamihurano training ground in Hokkaido, Japan. The purpose of this training exercise was reportedly to accelerate preparations for joint operational activities by U.S. and Japanese troops in the event of an emergency in a cold area with much snowfall.

Since the United States ruptured DPRK-U.S. talks and strengthened the military threat to our country, Japan actively cooperated and joined U.S. maneuvers to crush our republic. As the United States decided to deploy Patriot missiles to South Korea and began provocative steps of moving the missiles, Japan, keeping step with this, openly staged an exercise on 22 March of mobilizing Patriot missiles on a Japan Air Self-Defense Force base in Shariki, Aomori Prefecture, in northern Honshu.

Japan will join the United States when the latter provokes a new war on the Korean peninsula. Japan's YOMIURI SHIMBUN exposes on 23 March the undisguised assertions for taking legal steps to remove restrictions in incumbent laws in order for Japan to support U.S. Forces in Japan in the event of a military clash breaking out on the Korean peninsula.

Japan is attempting to mobilize airplanes and ships of the Self-Defense Forces into South Korea under the pretext of evacuating Japanese residents in South Korea in the event that the United States starts a new war on the Korean peninsula.

Late last year, the Japanese Government already revised its law on the Self-Defense Forces on the pretext of rescuing Japanese residents overseas and worked out a policy on dispatching airplanes of Self-Defense Forces overseas.

U.S. naval ships, including the aircraft carriers Carl Vinson and Independence, frigates, and cruisers, are maintaining a posture of mobilization and deployment to the coast of the Korean peninsula by using Japanese bases.

Thus, U.S.-Japan military collusion and conspiracy which places our country as the main target of attack have become more undisguised.

Kim Yong-sam Security Alert Order Reported

SK2503003194 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 23 Mar 94

[Text] According to a broadcast report from Seoul, traitor Kim Yong-sam ordered a grade-A emergency alert in Seoul and Kyonggi Province from the morning of 23 March to the afternoon of 24 March and ran amok with suppressive commotion. This is aimed at banning the people's resistance against his traitorous visit to Japan.

The puppet traitor also ordered police throughout South Korea to step up their alertness from 23 to 30 March [duration of ROK President Kim Yong-sam's visits to both Japan and China].

Such a frenzy of suppression reveals an ugly face of one who has a bad conscience due to his traitorous acts.

ROK Defense Minister Remarks to Assembly Cited

Radio Notes 'Clear Incitement'

SK2503000494 Pyongyang Korean Central Broadcasting Network in Korean 2210 GMT 24 Mar 94

[Text] According to a report by the Christian Broadcasting System from Seoul, the rascal called puppet Defense Minister Yi Pyong-tae made a report before the puppet National Assembly Defense Committee on 23 March. In his report to the committee, he raved about someone's nonexistent provocation, babbled that strong retaliatory actions would be taken, and that he has mapped out a strategy to link this with reunification if necessary.

This is a clear incitement to achieve reunification through a northward invasion which by no accounts can ever be ignored.

The warmonger's blurting out about retaliatory actions directly means a war. In addition, his remark that this would be used as the opportunity to realize reunification means that South Korea will achieve reunification through a northward invasion by borrowing power from the United States. Rascal Yi Pyong-tae frankly admitted this time that it is mapping a strategy to realize the goal of invasion.

This clearly shows what stage the adventurous war provocative maneuvers waged against us by the Kim Yong-sam traitorous group have reached.

On 22 February, traitorous Kim Yong-sam called puppet military chieftains to Chongwadae [the presidential office] to plot a war and ordered the entire puppet Armed Forces to assume an emergency alert posture. Following this, the puppet defense minister emerged at the National Assembly and made an outburst agitating a northward invasion. These facts cannot on any account be incidental.

All of these facts show that the Kim Yong-sam clique, under the aegis of the U.S. imperialists, are captured with its ambition to achieve reunification by invading and thus prevailing over the North. In addition, these clearly expose the fact that its maneuvers of heightening the tension that they have perpetrated up to now by finding faults with our nonexistent nuclear issue, are a premeditated provocation to open the road for northward invasion.

KCNA Decries 'Open Agitation'

SK2503045794 Pyongyang KCNA in English 0447 GMT 25 Mar 94

["Bellicose Remarks Revealing Scheme of Unification Through March Northward"—KCNA headline]

[Text] Pyongyang, March 25 (KCNA)—South Korean "Defence Minister" Yi Pyong-tae, addressing the Defence Committee of the puppet National Assembly on March 23, cried over the fictitious "provocation" of the North and declared that the South "will react with a strong retaliation" and it "is now establishing a strategic conception that this will be linked to a chance of unification" when necessary, according to a CBS [Christian Broadcasting System] radio report from Seoul.

This is an open agitation of "unification through march northward" which must not go unnoticed.

The "retaliation" threatened by the warmaniac meant a war and "linking to a chance of unification" meant "achieving unification through march northward" with the help of the United States. Yi Pyong-tae did not trouble himself to conceal that his clique was working out a "strategy" to attain this aggressive aim.

This vividly shows to what extent the Kim Yong-sam traitor group has gone in its adventurous war provocation moves against the North.

Facts fully prove that the Kim Yong-sam group is obsessed with a wild ambition to achieve "unification by invading the North", "unification by prevailing over communism" with the backing of the U.S. imperialists, and its aggravation of tension under the pretext of the non- existent "nuclear problem" of the North was a premeditated provocation to pave the way for a war against the North.

But it must not act rashly.

The Kim Yong-sam traitor clique must clearly know that those who dare attempt to harm our socialist system centred on the masses will only suffer a miserable destruction.

Papers Condemn ROK Military Alert

SK2503050594 Pyongyang KCNA in English 0454 GMT 25 Mar 94

["Acts of Military Provocation in South Korea Will Not Be Tolerated, Warn Pyongyang Papers"—KCNA headline]

[Text] Pyongyang, March 25 (KCNA)—The traitor Kim Yong-sam ordered all the puppet Army forces on to "a stand-by alert", instructing the puppet Army bosses to round off the preparations for invading the North through the "cooperation system" with the United States, and the U.S. ambassador in Seoul and the U.S. Army commander present in South Korea, the puppet defence minister and the puppet foreign minister were closeted over "reexamination" of the war preparedness of the U.S. imperialist aggression forces and the puppet Army. Papers here today brand this as unpardonable acts of military provocation and premeditated kickup of military confrontation.

An analyst of NODONG SINMUN says:

The grave military step taken by the South Korean puppet clique at the instigation of the United States is a very grave provocation going beyond the limit of mere threat to us.

We can never tolerate and overlook the military racket of the South Korean puppets encouraged by outside forces.

The Korean people and People's Army do not want a war but are never afraid of it.

If the South Korean puppets dare ignite a war against us, our people and People's Army will answer it with a hundred-fold retaliation.

A MINJU CHOSON analyst declares that if the Kim Yong-sam group provoked a war against the North in league with outside forces, we would take a decisive self-defensive step to defend the socialist motherland and the dignity of the nation.

Trade Union Group Blasts ROK on Nuclear Issue

SK2403153594 Pyongyang KCNA in English 1518 GMT 24 Mar 94

[Text] Pyongyang, March 24 (KCNA)—A spokesman for the Central Committee of the General Federation of Trade Unions of Korea in a statement today bitterly denounced the Kim Yong-sam group's dangerous criminal acts to provoke a nuclear war in conspiracy with outside forces as a heinous treachery to plunge the Korean nation into a nuclear scourge.

The statement says:

"The South Korean authorities are heading for reckless confrontation with fellow countrymen, totally denying North-South dialogue. This is an extension of the anti-DPRK, anti-socialist campaign they have consistently waged with the imperialist reactionaries.

"No sooner had they brought the working-level contact for the exchange of presidential envoys to a rupture than they kicked up a big fuss as a servant of foreign forces in the anti-DPRK, anti-socialist campaign, by issuing a 'special alert order' throughout South Korea, calling their master on the phone, sending a letter to him and making mendicant trips to do harm to fellow countrymen.

"The reality shows that with the flunkeyist traitor left within the nation, our fellow countrymen cannot live in peace nor can they think of the peace and peaceful reunification of the country and the nation will inevitably suffer a scourge of war.

"We regard it humiliating to have the traitor within the nation. We will never tolerate his treacheries.

"The traitor Kim Yong-sam must clearly know that he will never be able to escape the blame for the consequences of his dependence on outside forces and flunkeyism against fellow countrymen."

Commentary Urges 'Traitor' Kim Yong-sam Ouster

SK2503132994 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 23 Mar 94

[Commentary by Yun Pyong-sok: "National Traitors Should Be Removed"]

[Text] Because of the South Korean puppets' reckless war maneuvers, an extremely grave unpredictable situation is created on the Korean peninsula now. As has been reported, the Kim Yong-sam ring, in a so-called security related-ministers meeting held recently at Chongwadae [presidential residence], raved, placing blame on us, that it would resume the Team Spirit joint military exercise and that it would deploy Patriot missiles in South Korea soon.

Based on this provocative step, the puppet Army troops entered into an emergency alert posture, and Patriot missiles are being moved from the United States to South Korea. These extraordinary military moves are intentional acts aimed at further aggravating tensions on the Korean peninsula in order to lead the situation to an extreme phase of war. This is an unpardonable crime.

As everyone knows, we have been consistently asserting that all the pending issues, including the nuclear issue, be resolved through dialogue and negotiation. However, the Kim Yong-sam ring is not interested in national reconciliation and unity or the country's peace and reunification, but is only scheming to harm the fellow countrymen in collusion with outside forces. Therefore, they intentionally broke down the working delegates' contact for the presidential special envoys of the North and the South, to which they had reluctantly responded, and are resorting to open war maneuvers.

If the Team Spirit joint military exercise is resumed and Patriot missiles deployed in South Korea, it is very clear what adverse effect it will bring to the situation on the Korean peninsula.

It is well known that traitor Kim Yong-sam, coming in power under the mask of a civilian regime, raved about supremacy of the nation over foreign forces and the improvement of relations with the North from the starting point of regarding it as the same nation. However, although he said that in words, in action he resumed the Team Spirit joint military exercise, which was suspended even during the Sixth Republic, last year, and is planning to enforce it this year as well. He is bringing even Patriot missiles, the deployment of which even his predecessor military hooligans did not dare, into South Korea, further aggravating tension.

The Kim Yong-sam ring is an extremely vicious war fanatic far worse than his predecessor military dictators, and a national traitors ring of filthy flunkeyist nation-sellers and national treachery which try to find a way for survival by harming the fellow countrymen in collusion with outside forces. By resuming the Team Spirit joint military exercise and bringing in Patriot missiles, they themselves revealed that they are warmongers under the guise of a civilian mask.

As long as the Kim Yong-sam traitorous group, which is more intimate with outside forces than with the fellow countrymen and seeks war and division rather than peace and reunification, remains is power, we cannot hope for peace and reunification of the country, nor can we avoid the catastrophe of a nuclear war falling on the nation.

It is the shame of our nation that there exists a ring of national treachery like the Kim Yong-sam ring in our country which boasts a 5,000-year history. The Kim Yong-sam traitorous clique, which deepens confrontation between fellow countrymen and brings fire clouds of war, should be removed as soon as possible.

If the Kim Yong-sam ring, a foolish ring which sustains its doomed life clinging to the lower end of the U.S. master's clothes, thinks it can harm someone by means of a war in collusion with outside forces, it is grossly miscalculating.

Our people and People's Army who are well prepared for either dialogue or war will never just remain still and look on. If they start a war despite our repeated warnings, we will resolutely punish them.

The Kim Yong-sam puppet clique should squarely see that the provocation of a war will be an act of suicide which brings a total destruction of the civilian regime and act with discretion, and stop immediately the very dangerous act of leading the situation to the phase of a war.

Japan Quest for Permanent UNSC Seat Challenged

SK2503110694 Pyongyang KCNA in English 1049 GMT 25 Mar 94

["Harebrained Act"—KCNA headline]

[Text] Pyongyang, March 25 (KCNA)—MINJU CHOSON today brands Japan as a crime-filled country which has neither qualification nor face to become a permanent member of the United Nations Security Council.

The news analyst says:

Whenever an opportunity presents itself, high-ranking Japanese officials do not forget to vociferate about "international contributions" of Japan, revealing their intention to make Japan a permanent member of the UN Security Council.

The UN Security Council might be polluted with dirt if such a country as Japan with a history of abominable crimes becomes a permanent member of the security council.

Japan has jumped to the second topmost rung of the world's ladder in military expenditures and is proceeding with the modernisation of navy and air force of the "Self-Defense Forces" [SDF] and legalization of overseas military activities of the "SDF".

It must not be overlooked that the present Japanese authorities are trying to lay obstacles to a solution to the nuclear issue on the Korean peninsula by crying over the "nuclear issue" of the North and make it a pretext for Japan's nuclear armament.

It is the height of sarcasm for Japan to attempt to become a permanent member of the UN Security Council the basic mission of which is to ensure world peace and security.

If Japan wants to win international confidence, it must clearly liquidate its past crimes and stop its moves to become a military power and arm itself with nuclear weapons.

Paper Highlights Nonaligned Movement Principles

SK2503112994 Pyongyang KCNA in English 1057 GMT 25 Mar 94

["Independence Against Imperialism Is Basic Idea of NAM"—KCNA headline]

[Text] Pyongyang, March 25 (KCNA)—The Non-Aligned Movement (NAM) must exist and advance under the banner of independence against imperialism as long as the imperialist dominationist forces remain and the idea of NAM is yet to be realized, declares MINJU CHOSON in a by-lined article today.

The article says:

NAM is entering into a new phase and independence against imperialism remains its idea.

The imperialists and the reactionary forces averse to NAM's independent advancement against imperialism are trying by hook or by crook to keep off the influence of the movement and enervate it. The imperialists and some old forces, advertising international detente, contend that NAM has lost the effectiveness of its existence, and are setting afloat the claim that the basic idea must be revised and the orientation of its action be switched over to economic matters from political matters.

They are bringing all manner of political and economic pressure to bear upon the non-aligned countries adhering to the independent stand against imperialism, seeking to impede the cause of the independence of the people, and working to split nam by causing friction and estrangement among those countries.

Such being the situation, the non-aligned countries can not realize their desire to enjoy an independent life free from domination and subjugation, unless they enhance the function and role of NAM and strengthen the revolutionary struggle against imperialism.

Stressing the need for the non-aligned countries to actively strive to intensify this movement with firm conviction of the justice of it and its idea, the article continues:

What is of importance in intensifying NAM is to invariably maintain its basic idea and principle. NAM is, in essence, a movement for making the whole world democratic and independent and its basic principle is to maintain independence, not joining any bloc.

The idea and principle of NAM are its life and soul and an indispensable requisite that must be maintained in the whole course of its activities.

The non-aligned countries must not waver in any complicated situation, but remain faithful to the idea and principle of NAM and reject all attempts to detach it from its qnherdct idea and principle. Of importance in intensifying NAM at present is to achieve its unity and cohesion.

The non-aligned countries must closely unite on the principle of mutual respect and non-interference in other's internal affairs, equality and mutual benefit and check and foil the imperialists' moves of division and estrangement with a strategy of unity.

The non-aligned countries will accelerate the building of an independent new world and realize at any cost the noble idea of independence against imperialism by intensifying and developing NAM, firmly united under the banner of independence against imperialism.

Cambodian Defense Delegation Departs 25 Mar

SK2503114694 Pyongyang KCNA in English 1101 GMT 25 Mar 94

[Text] Pyongyang, March 25 (KCNA)—The high-level delegation of the Defence Ministry of the Royal Government of Cambodia headed by Co-Ministers of Defence Tie Banh and Tie Chamrat left here today after a 5-day visit to the Democratic People's Republic of Korea.

The delegation was seen off at the airport by Minister of People's Armed Forces O Chin-u, generals and officers of the Korean People's Army and Cambodian Ambassador to Korea Oum Mannorine.

A farewell ceremony took place at the airport.

The delegation visited Mangyongdae and inspected the Kang Kon Military Academy and the Mangyongdae School children's palace while staying in Korea.

It laid a wreath in the revolutionary martyrs cemetery on Mt. Taesong and saw a circus performance.

Education Delegation, Envoy Make Foreign Visits

SK2503061794

[Editorial Report] Pyongyang Korean Central Broadcasting Network in Korean at 1500 GMT on 21 March reports "Choe Kil-yong, chairman of the Educational Committee, arrived in Cairo on 20 March by plane for a visit to Egypt as the great leader Comrade Kim Il- song's special envoy."

Pyongyang Korean Central Broadcasting Network in Korean at 2300 GMT on 23 March reports that "Egyptian President Muhammad Husni Mubarak met with Choe Kil-yong, chairman of the Educational Committee, who is the great leader Comrade Kim Il-song's envoy, on 21 March," adding that the envoy conveyed the greetings of Kim Il- song and Kim chong-il to the Egyptian president.

Pyongyang Korean Central Broadcasting Network in Korean at 1300 GMT on 23 March reports that "a delegation of the Korean Social Democratic Party led by Kim Kyong-sik visited Uruguay from 4 to 10 March" and met "Gonzalo Aguirre Ramirez, vice president, president of the Senate, and acting president," and other political leaders. The report says that "the delegation conveyed the greetings of Kim il-song and Kim Chong-il to the Uruguayan president and heads of political parties." The report adds that the delegation visited Paraguay from 10 to 18 March.

Kim Il-song Salutes Bangladesh President

SK2503113094 Pyongyang KCNA in English 1059 GMT 25 Mar 94

[Text] Pyongyang, March 25 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on March 21 sent a message of greetings to President Abdur Rahman Biswar of the People's Republic of Bangladesh on the occasion of the 23rd anniversary of the independence of Bangladesh.

President Kim Il-song in the message wished the president and the people of Bangladesh success in their work for the independent development and prosperity of the country and expressed the belief that the relations of friendship and cooperation between the two countries would develop further.

Chinese Troupe Participates in Art Festival

SK2503051294 Pyongyang KCNA in English 0450 GMT 25 Mar 94

[Text] Pyongyang, March 25 (KCNA)—A Chinese art troupe staying in Korea to participate in the 12th April spring friendship art festival gave its premiere at the Pyongyang Grand Theatre Thursday before the festival.

The performance was seen by Chang Chol, vice-premier of the Administration Council and minister of culture and art, who is chairman of the organizing committee for the festival, officials concerned and Chinese Ambassador to Korea Qiao Zonghuai and embassy officials.

The performers put on the stage colorful numbers portraying the traditional customs and happy life of the Chinese people and beautiful landscape.

They also put on the stage a Korean song "Long Live Generalissimo Kim Il-song" and a Korean dance "Kimilsongia in Full Bloom all Over the World".

A floral basket was conveyed to them in congratulation of their successful performance.

Kim Chong-il Sends Thanks to Radio, TV Staff

SK2503045594 Pyongyang KCNA in English 0433 GMT 25 Mar 94

[Text] Pyongyang, March 25 (KCNA)—The dear leader Comrade Kim Chong-il sent thanks to the creating staff of serial TV dramas of the Radio and TV Broadcasting Committee of the Democratic People's Republic of Korea.

The staff has created many serial TV dramas conforming to the intention of the party and the demand of the people.

They produced 9 dramas of 80 parts including "Joy" and "The Morning on the Plateau" over the past one year.

Art Contest Celebrates Kim Il-song Birthday

SK2403124194 Pyongyang KCNA in English 1018 GMT 24 Mar 94

[Text] Pyongyang, March 24 (KCNA)—A national contest of workers art circles was held in Pyongyang from March 14 to 23 to significantly celebrate the birthday of the great leader President Kim Il-song.

Put on the stage of the contest were more than 650 pieces of colorful numbers, including instrumental music and song, dance and story-telling, which had been created by working people at factories and enterprises across the country through their brisk art activities, upholding the policy of the Workers' Party of Korea on popularizing art activity.

Among them were a poem and song tale "The Love and Benevolence Will Be Conveyed Forever", a choral poem recitation and story-telling "Great Might of Korea", a female vocal solo and mixed vocal homophony "The Whole World Envies", a choral poem recitation and story-telling "Let Us Carry Through Party's Revolutionary Economic Strategy". They well showed the greatness, wise leadership and noble communist virtues of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il, the great pride and honor of the working class of chuche Korea and the happy life and worthwhile labour of the Korean working people.

Industrial Output Up 50 Percent '87-'93

SK2503103594 Pyongyang KCNA in English 1008 GMT 25 Mar 94

[Text] Pyongyang, March 25 (KCNA)—The achievement in the fulfilment of the Third Seven-Year Plan (1987-1993) in the DPRK is that the industrial output increased 50 percent and its annual average growth rate reached 5.6 percent.

It is thanks to the mighty independent national economy that the DPRK has developed the economy unaffected by the worldwide economic fluctuation under the situation in which the socialist market collapsed and anti-DPRK campaign by the imperialists and reactionaries has been intensified as never before.

Today Korea has many-sided and modern industry enough to produce by itself heavy and light industrial products needed for economic construction, defence upbuilding and people's living.

In the electric power industrial domain the Pukchang thermal power complex, the Taechon power stations and many other large hydro and thermal power plants and minor power stations have been built. As a result, the electric power output was 55,500 million kwh in 1989 and that in late 1993 was 30 percent up on the 1986 figure.

In mining industry, large-scale coal mines in Anju, Sunchon and Pukchang and the Komdok general mining enterprise and other mines in Tanchon and Yanggang Province have been reconstructed on an expansion basis and a large number of new coal mines, ore mines and pits have been developed in those districts rich in deposit and favourable for mining.

The coal output has grown year by year and in 1993 it was 40 percent up on the 1986 figure.

The output of nonferrous metal ores increased 60 percent in the period of the fulfilment of the third seven-year plan.

The production capacity of the Kim Chaek Iron and steel complex, the Chollima steel complex and other iron and steel works has expanded and new bases for producing various kinds of steel such as pressure pipes and stainless steel pipes have been built to considerably raise the steel output in the metal industry.

With the rapid development of machine building, electronic, and automation industries, a great advance has been made in introducing precision, large-size and high-speed equipment and the material and technical foundations of the electronic and automation industries have been further consolidated.

These sectors produced a 10,000-ton press, 125,000 kv-a [kilovolt-ampere] hydraulic generators, an extra-large-sized oxygen plant and NC [numerically controlled] machine tools and are now manufacturing complete sets of metal, chemical, building, electric and other equipment needed for different sectors of the national economy.

With the development of chemical industry, light industry, fisheries and agriculture the need for the people's living is being met with domestic products.

The Korean people have the mighty socialist independent national economy and abundant resources enough to live on their own efforts under any situation.

No political and ideological offensive, economic blockade and military threat of the imperialists and reactionaries can frighten the Korean people.

South Korea

Minister Says DPRK Armed Forces on 'Alert'

SK2503031694 Seoul YONHAP in English 0308 GMT 25 Mar 94

[Text] Seoul, March 25 (YONHAP)—North Korea has put its Armed Forces on a state of alert, while checking its emergency communications network and increasing military drills, Defense Minister Yi Pyong-tae and Agency for National Security Planning Director Kim Tok said.

They made the remarks in reporting on developments in North Korea at a meeting of security-related ministers that Prime Minister Yi Hoe-chang called on Friday, Information Minister O In-hwan said after the meeting.

The Stalinist regime is fueling North Koreans' hostility toward the South by talking about the inevitability of war and threatening to pull out of the Nuclear Nonproliferation Treaty if the U.N. Security Council imposes sanctions and has suspended issuance of travel permits, O quoted Yi and Kim as saying.

O said the meeting heard reports on developments in the nuclear situation over the past several days, including movements by the North Korean Armed Forces.

'Wartime System' Reportedly Assumed by DPRK

SK2503064194 Seoul CHUNGANG ILBO in Korean 25 Mar 94 p 1

[Report by Sin Tong-chae]

[Text] It has been learned that all of North Korea has entered a wartime system and an emergency order [pisangryong] was handed out to the whole Army.

Defense Minister Yi Pyong-tae and Kim Tok, director of the Agency for National Security Planning, reported this to Prime Minister Yi Hoe-chang during a security-related ministers' meeting held at the prime minister's official residence on 25 March. They revealed that North Korea has suspended issuing travel permission to its residents and is heightening an atmosphere of willingness for war [iljon pulsa punwigi].

According to the report, the North Korean Army intensified military exercises and examined its emergency communications network. It has also increased construction of defense facilities, including installing barriers. Meanwhile, North Korean media, including radio broadcasts, claim that "a Southward war is inevitable." [taenam chonjaengi pulgapi hada]

According to this, Prime Minister Yi instructed relevant ministers that a crisis management system should be concretely worked out to cope with an emergency and this system should be thoroughly examined.

'Counterattack Plan' To Deter DPRK Reported

SK2503034794 Seoul THE KOREA HERALD in English 25 Mar 94 p 3

[By staff reporter Yi Song-yul]

[Text] In the wake of North Korea's repeated expressions of willingness to go to a war, many South Koreans are worried about the catastrophe a war would bring about.

But they don't seem to be scared by the threat that "Seoul will be turned into a sea of flames if war breaks out," attributed to a North Korean delegate at an inter-Korea meeting last week at the truce village of Panmunjom.

They believe that if the North dares a preemptive attack against the South it will suffer quick destruction.

"Yes, that's right," said a military source who wanted to remain unnamed. "By the time they drop many bombs on Seoul, Pyongyang will be turned into a desert," he said, citing the very aggressive and retaliatory counterattack plan of South Korean and U.S. forces.

He was referring to Operation Plan 5027 of the South Korea-U.S. Combined Forces Command (CFC), or "Oplan 5027." Under the plan, also called "USFK 5027" and "CFC 5027," the combined defending forces of the two countries will occupy Pyongyang and Wonsan on the east coast of North Korea within two weeks of a North Korean invasion, neutralizing the Stalinist regime and thus unifying the Korean Peninsula.

"In case of a North Korean preemptive attack," said the source, "the combined defending forces will not give up Seoul or restrict themselves to repelling the enemy forces north of Seoul; they will advance to toppling the North Korean regime and thus regain the northern territory."

Such an aggressive counterattack plan had remained classified for years. But Defense Minister Yi Pyong-tae, in a testimony before the National Assembly, Wednesday confirmed the existence of such plans, saying that Seoul will make use of a North Korean invasion to fight national reunification.

"We have a strategic concept that in case North Koreans launch a preemptive attack we will use our retaliatory operations into an opportunity of national reunification," Yi said before the parliamentary Defense Committee.

Military experts said the operational concept of the CFC has changed from a defensive one, under which South Korean and U.S. forces were supposed to check the advance of invading forces north of Seoul, or along the Demilitarized Zone (DMZ). Under an even earlier operational plan, the defending forces were to retreat to the south of Seoul, waiting for U.S. reinforcements before launching counterattacks.

"But under CFC 5027, a preemptive attack by the North would mean the collapse of the Stalinist regime and national unification," explained a military expert.

The CFC 5027 assumes a five-phase war scenario. In the first phase, the CFC, confirming signs of a North Korean attack, requests deployment of the U.S. flexible deterrence option (FDO), or quick deployed reinforcements, to the South.

Defcon III is invoked and the defending forces are on standby, awaiting further orders.

In the second phase, North Korean forces launch artillery attacks on the South Korean forces deployed along the DMZ, infiltrates special warfare troops into Seoul and other cities to harass the rear. Major roads are filled with South Korean refugees, serving as an obstacle for the CFC operations.

North Korean ground troops cross the border, and Scud and Nodong missiles hit Seoul and other major cities and military facilities in the South. CFC forces battle invading forces, hitting and devastating key military areas in the North. U.S. carrier battle groups join the attack against the rear of the North and Patriot missiles guard against Scud and Nodong missiles. The North Koreans are checked north of Seoul.

In the third phase the main forces of the North Korean troops are destroyed. The defending forces cross the DMZ and march northward, amid amphibious landing operations conducted on North Korean shores. CFC forces further advance to Chongchon River, north of Pyongyang. CFC has yet to decide whether to march further to the Yalu River that divides North Korea and China.

In the fourth phase, Pyongyang is occupied and CFC forces control local residents.

In the last phase, the Korean Peninsula is reunified under the leadership of South Korea.

In this aggressive operational plan, major damage and casualties on both sides are expected. But Defense Minister Yi's willingness to make use of a North Korean invasion as a chance for national unification is widely accepted as a timely manifestation of Seoul's confidence in its defense preparedness. It's also a strong warning to the North not to run the risk.

But nevertheless, a problem lies in the possibility that the North Korean regime may knowingly run the risk, not because it thinks it can communize the South by force, but as a means of solving chronic and explosive internal problems, such as the failing economy.

Ministry on UN Security Council Resolution

SK2503064794 Seoul YONHAP in English 0639 GMT 25 Mar 94

[Text] Seoul, March 25 (YONHAP)—The U.N. Security Council is expected to adopt a resolution on the North Korean nuclear situation around the end of this month, a Foreign Ministry official said Friday.

"The five permanent members of the council are in the middle of actively exchanging opinions on the content and strength of the resolution right now. They're almost finished and the resolution is likely to be decided soon," the official said.

The content is said to be rather weak so that China will not exercise its veto power, the official said.

The key point in the resolution is the International Atomic Energy Agency's additional demand to inspect two sites inside North Korea's radiochemical laboratory, believed to be a nuclear reprocessing facility, that were sealed off from earlier monitoring.

"The general feeling is that adoption of the resolution should not be too late," he said.

Proposal for 8-Party Conference on DPRK Noted

SK2503031394 Seoul YONHAP in English 0305 GMT 25 Mar 94

[Text] Seoul, March 25 (YONHAP)—South Korea opted to deal with the North Korean nuclear issue at the United Nations Friday, saying "thanks but no thanks" to a Russian proposal for an eight-party conference.

"Russia's proposal for an eight-party conference is part of the efforts to solve the North Korean nuclear problem through dialogue. We note the intentions behind it," a Foreign Ministry official said in a commentary.

"In solving the North Korean nuclear problem, efforts at the U.N. Security Council are important at this moment.

The issue of an eight-party conference requires careful consideration by the United States, Japan and other involved nations," he said.

Russia's proposal invites participation by South and North Korea, the United States, Japan, China and Russia along with the United Nations and the International Atomic Energy Agency (IAEA).

Seoul's reaction apparently reflects its reluctance to place Korean issues on the international table, although it seeks global coordination on the nuclear dispute. It has also chosen to rely on the South Korean-U.S. alliance at the moment instead of a multilateral arrangement.

Ministry officials said they were notified in advance of Moscow's proposal on Thursday afternoon.

Meanwhile, the officials welcomed Moscow's commitment to support the Security Council resolution on North Korea.

Korean-Americans Plan Delegation to DPRK

SK2503000294 Seoul YONHAP in English 0007 GMT 25 Mar 94

[Text] Seoul, March 25 (YONHAP)—A group of Korean-Americans hopes to send a delegation to North Korea to help defuse the nuclear crisis, it was reported Friday.

According to the Chicago Branch of the Korea Trade Promotion Corporation (Kotra), Yim Yong-kun, a member of the Oregon State Senate and chairman of the Korean-American Federation, has taken the initiative in forming the delegation.

So far, Yim has contacted Korean-American leaders in 30 major U.S. cities to consult on the date, the size of the delegation and ways to get in touch with Pyongyang, Kotra officials quoted its office in Chicago as saying.

Yim hopes to form a delegation of about 20 persons, including a number of prominent businessmen, that would discuss not only political issues but economic cooperation with the North Korean Government, the officials said.

But if the visit came about, the delegation would likely go to Pyongyang as a group of American politicians and not at North Korea's official invitation, they said.

Yim, who was elected to the Oregon State Senate in November 1992, has previously visited North Korea at Pyongyang's invitation.

Prior to the visit, he invited about 300 ethnic Koreans from the former Soviet Union and China to Washington in 1989 for a meeting of Koreans from around the world.

U.S. 'Surprised' by Reaction to Hubbard Speech

SK2503024894 Seoul YONHAP in English 0233 GMT 25 Mar 94

[Text] Washington, March 25 (YONHAP)—U.S. Assistant Secretary of State Winston Lord said Thursday that Washington was surprised at Seoul's reaction to a speech by an American official who advocated repeal of the National Security Law.

At a hearing of the East Asian and Pacific Affairs Subcommittee under the Senate Foreign Relations Committee, Lord said, "Frankly, we were surprised at the reaction. We are sorry about it. We think it was exaggerated beyond its significance."

U.S. Deputy Assistant Secretary of State for Asian and Pacific Affairs Thomas Hubbard made a speech at American University on Feb. 25 in which he stated that the United States advocated the repeal of South Korea's National Security Law, which prohibits any unauthorized contact with North Korea and any public statements or acts sympathetic to the North Korean regime.

The remarks came under immediate fire as unwelcome interference in Seoul's internal affairs. Hubbard drew even more criticism because he was chief U.S. working-level delegate to nuclear negotiations with North Korea.

Lord said, "Mr. Hubbard's speech at the time was overwhelmingly pointing to the good relations with South Korea, the positive steps they have been taking, including in democracy and human rights. And he in the course of that stated we believe that it would be better if the National Security Law were repealed.

"He had no desire to interfere in South Korea's domestic affairs. He is a very good friend of South Korea and he believes, as we all do, they have made tremendous progress, and it's symbolized by President Kim, a 30-year dissident, being president."

Lord said he did not want to exaggerate the issue's importance again.

"I really would like to make the point that the South Koreans should be praised for their advances toward democracy and human rights. And this should not obscure that."

He added, "I do note that I believe that since the speech, the South Koreans are now considering repealing the provision."

DPRK Loggers Seek Political Asylum in Russia

SK2503091994 Seoul SEOUL SINMUN in Korean 24 Mar 94 p 1

[By correspondent Yi To-un from Vladivostok]

[Text] It has been learned that 180 North Korean workers, who escaped from North Korean logging sites in Russia, have asked for political asylum in ROK missions, including the ROK Embassy in Moscow. Following this, about 40 North Korean workers asked for political asylum from the Russian Government.

Of these 40 North Korean loggers, four were officially granted political asylum by the Russian authorities, and many others were unofficially granted residence permission.

A relevant official in Vladivostok said on 23 March: About 40 North Korean workers asked for political asylum from the Moscow authorities through human rights committees, lawyers associations in Russia, and the Russian Ministries of Justice and Foreign Affairs. With the help of lawyers and Korean residents in Russia, they claimed political and economic hardship, pointing out the situation of human rights being infringed upon at the logging sites, and asked for political asylum.

The official revealed that "the North Korean loggers, who were granted residence permission after asking for political asylum from the Russian authorities, are four in total, including a certain Kim and a certain Yun whose permission was granted in November 1992, and two other Kims, who were granted permission early this year.

He added that "many North Korean workers were granted residence permission unofficially, in addition to the number of those officially announced by the Russian authorities."

Since the situation of human rights being infringed upon at the North Korean logging sites has become an international issue, the Russian Government took it as a policy to grant political asylum to the loggers if there is no specific reason for rejection. However, since so many workers asked for asylum recently, the Russian authorities are temporarily withholding granting it.

On the other hand, the North Korean side claimed that those who asked for political asylum are all criminals, and strongly demanded that the Russian Government not grant them asylum.

This Issue Will Be Discussed Soon.

Concerning the situation in which a large number of workers who escaped from the North Korean logging sites in Russia asked for political asylum from the Russian authorities, the ROK Foreign Ministry revealed that "it is aware of such reports but failed to receive any concrete reports as to how many cases there were." The ministry added that it will discuss the issue of dealing with them with the Prime Minister's office, the National Unification Board, the Agency for National Security Planning, and other relevant organizations.

Prime Minister, Security-Related Ministers Meet

SK2503102994 Seoul YONHAP in English 1020 GMT 25 Mar 94

[Text] Seoul, march 25 (YONHAP)—Security-related ministers met at the prime minister's residence at Samchong-tong Friday to review the country's security conditions at a time when President Kim Yong-sam is out of the country making official visits to Japan and China.

Prime minister Yi Hoe-chang asked those present at the meeting to be more vigilant against the dogmatic adventurism of North Korea.

"You should be prepared against any eventuality as the North Korean nuclear question is about to come away from the stage of dialogue into the phase of sanction by the UN Security Council," Yi said.

The prime minister also suggested that relevant offices let the people fully know about the government's policies toward North Korea since he said the people's understanding is important in building up the nation's overall security preparedness.

The officials present at the meeting included, besides the premier, Foreign Minister Han Sung-chu, Defense Minister Yi Pyong-tae, Information Minister O In-hwan, NSP Director Kim Tok and Chief Presidential Secretary Pak Kwan-yong.

Alleged Spy for North Turned Over to Prosecution

SK2503105394 Seoul YONHAP in English 1024 GMT 25 Mar 94

[Text] Seoul, March 25 (YONHAP)—A Taegu man under suspicion of having worked for North Korea abroad, was turned over to the Seoul prosecution by the Agency for National Security Planning (NSP) on Friday.

An NSP investigation showed that Yi Pok-hon, age 33, of Sinam 1-tong, Taegu, left the country in 1990 and had joined an international criminal ring, "AS," in Southeast Asia as a mid-boss.

It said that Yi, while working at the "AS," was recruited by North Korean agents, an NSP official said.

"The mission the North Koreans gave to Yi was to kill anti-Pyongyang Koreans abroad and win over South Korean gang leaders," he said.

Yi is alleged to have visited North Korea six times from 1992 through November 1993 to receive instructions and give reports on his espionage activities.

In one of his activities for North Korea, Yi provided North Korea with 100kg of heroin he obtained through the "AS" organization in June 1992, which North Korea smuggled to and sold at about 30 million U.S. dollars in Europe, the official said.

Market-Opening Schedule Revised for GATT

SK2503020494 Seoul YONHAP in English 0130 GMT 25 Mar 94

[Text] Seoul, March 25 (YONHAP)—South Korea will impose import fees on rice and 91 other farm products and specific duties on soybeans and 62 additional agricultural items under a revised country schedule on opening its farm market necessitated by the Uruguay Round accord.

Agriculture, Forestry and Fisheries Minister Kim Yang-pae told the press Thursday the government had revised its farm market opening schedule submitted to the General Agreement on Tariffs and Trade (GATT) on March 11 through bilateral negotiations with the United States, the European Union and Australia, which pressed for revisions.

The revised schedule is to be sent to the GATT Secretariat on Friday, he said.

Under the revised schedule, rice imports will be 51,307 tons a year, the level first set by the government. The U.S. Government retracted its demand for 56,000 tons.

The new schedule calls for exclusion of 26 items, including pork, chicken and raw silk, from the 118 items subject to import fees under the March 11 schedule.

Tariff rates on 385 items, 29.3 percent of the 1,312 items for import liberalization under the schedule, will be lowered and an ad valorem duty, charged as a percentage of the value of an item, will be applied on 1,249 items. The number of items upon which an ad valorem duty or a specific duty can be selectively applied decreased from 97 under the March 11 schedule to 63 under the revised one.

In addition, tariff rates on 354 items will be lowered to the levels set under the first schedule submitted in April 1992 at the request of the United States and other countries.

Potato powder imports will be increased from 10 tons to 60 tons a year, while the duty on ice cream powder will be lowered from 60 percent to 40 percent.

Burma

F-88 Front Wants Suu Kyi To Lead Talks

BK2503034294 Bangkok THE NATION in English 25 Mar 94 p A9

[All paragraphs begin with "But" as published]

[Text] The F88 Democratic Front in Burma yesterday issued a statement saying they are willing to hold political talks with the State Law and Order Restoration Committee (Slorc), the Burmese military junta.

But they want to be represented at the talks by their leader Aung San Suu Kyi who has been under house arrest since shortly after her National League for Democracy's land-slide election victory in 1989.

But A Burmese student source said the statement was issued following the F88's brainstorm meeting from March 18 to 21 at a border area opposite Mae Hong Son province. However, leaders of dissident ethnic minority groups, including Gen Bo Mya of the Karen National Union, did not take part in the meeting.

But The F88 comprises the All Burmese Students Democratic Front, the Government in Exile and monks taking refuge in Karen National Union's zones.

But The statement said the group wants to hold talks with the military government on political issues brought up previously by Suu Kyi and they want her to lead opposition groups in the talks.

But Suu Kyi has demanded the junta step down and hand over power.

But She has also said the judicial system should be free of intimidation or coercion, the military should be under government control and should not be allowed to disrupt the constitutional process once it is in place.

But The F88 statement the F88 statement denounced the ceasefire agreement between ethnic minorities and the State Law and Order Restoration Committee (Slorc) as not bringing a political solution. [sentence as published]

But The group said ethnic minorities were forced into ceasefire negotiations by Burma's neighbours add Asean.

But They also accused China of helping the junta maintain its grip on powers by providing the junta with political, economic and military support.

But The statement also blasted the military junta's failure to tackle the country's economic woes and accused the junta of working solely for vested interest groups and its own survival in power.

But "After all, the country is still plagued with economic recession, inflation and high prices," it said.

But The F88 statement came a day after the National Convention to draft a new constitution was convened in Rangoon. The convention was initiated a year ago. The military junta says the promulgation of a new constitution is conditional to its handing over to a civilian government.

But The opening day of the plenary session on Wednesday was confined to papers put up by the minorities' representative syndicate, a group which represents the country's ethnic groups.

But Among 14 representatives of minority groups to speak during the session, a representative from Chin State, U Kan Yin, demanded Burma be declared a federal state.

But He said state power should come from the people and ethnic minorities should receive equal treatment to the Burmans, the country's majority.

But Gyaw Pan Tha of Arakan state demanded self administration for those ethnic minorities who have no states or divisions of their own. These included the Naga, Pa-O, Palaung, Kokan, Alkar, Kayar and Wa minorities.

But The Kokangs, Was, and Pa-Os, who live in Shan State bordering China, and the Nagas in the Sagaing Division bordering India, were among the groups which claimed they met criteria for self administration.

But The convention is intended to spark "national reconciliation" among Burma's various races and create a power-sharing role for the military which has been in power for the last five years.

But The convention has already adopted 104 "fundamental principles," including provisions entitling ethnic minorities to their own language, literature and culture and to "self-administered areas, zones and divisions", if their numbers are judged to be adequate.

Convention To Draft Constitution Meets

BK2503065994 Rangoon Burma Television Network in Burmese 1330 GMT 24 Mar 94

[Editorial Report] Rangoon Burma Television Network in Burmese at 1330 GMT on 24 March carries a 50-minute report on the 24 March plenary session of the National Convention to draw up the basic principles for drafting the new constitution held in the Central Meeting Hall of the President's Residence compound on Ahlone Road in Rangoon. The report includes extracts of the proposal papers read by 13 delegates at this morning's session on the three chapter headings on the state, state structure, and head of state.

The proposal paper prepared by the group representing peasants was read by U Shwe Hla and U Kyaw Aye. U Shwe Hla of Rakhine State proposes that a basic principle be prescribed to declare Rangoon the state capital and a "Union territory under the direct administration of the president" due to its unique position as the seat of government and its importance for the country's defense and security, economy, and international communications. He also suggests that "other areas with unique conditions, such as the Coco Islands, be declared Union territory under the direct administration of the president."

Next, U Kyaw Aye of Karen State continues reading the report dealing with qualifications for president—loyalty, genuine citizen born of parents who are citizens, appropriate age—and the election of president through the electoral college composed of all members of Parliament who will be separated into three groups. The three groups are: "The first group is composed of members of the chamber of Parliament who are elected based on equal representation from states and divisions; the second group is composed of members of the chamber of Parliament based on population; the third group is composed of members of Defense Services nominated by the commander in chief of the Defense Services to the two chambers of Parliament."

Next, the proposal paper prepared by the group representing workers is read by U Kyaw Win Tun of Mandalay Division, explaining the need to include perpetuation of existing national territory as a basic principle in the constitution. U Kyi Myint of Pegu Division continues reading the workers group report dealing with the state structure and prescription of self-administrative divisions and self-administrative zones.

U Aung San of Magwe division continues reading the workers group report suggesting the president be elected by the electoral college composed of three groups of members of Parliament.

Next, U Sam Lut Naw of Kachin State repesenting the workers group read his paper. Addressing the issue of whether the Convention delegates can determine which national groups are entitled to self- administered zones or self-administered divisions and in which states and divisions, U Sam Lut Naw says this matter cannot be determined by the delegates. He says "the basic principle unanimously endorsed by the delegates calls for prescription of self-adminsitered areas for national groups if they have an appropriate number of population living collectively in a congruous territory. It says based on the size of population and extent of the territory, the status of self-administered divisons or self-administered zones are to be granted as appropriate." He says, however, the delegates do not have at their disposal data on the size of population and territory to determine the self-adminstration status. He says: "The delegates do not know what constitutes an appropriate population size, and they cannot decide on the matter. Furthermore, he says the delegates do not know which national groups have asked for status of self-administered division or zone. He says the delegates do not know which national groups, out of 135 national groups, want self-administered divisions or zones. As for the requirement for living collectively in a congruous territory, the delegates have no knowledge. The delegates also have no knowledge of geographical location and dimension. Therefore, I believe the status of self-administered division or zone can be determined only after the knowledge is obtained on the aforementioned two unknown points. [applause]. Therefore, I propose that it is only appropriate for the state to form a commission to decide on the issue of self-administered areas."

Continuing, U Sam Lut Naw, worker representative of the Kachin State, addresses the issue of election of president. He says: "Even major countries in the world only have one president and one vice president. The population and territory of the Union of Myanmar [Burma] are not big. Therefore, there should not be two vice presidents but one president and one vice president. [applause] Also, there should be only two groups in the Electoral College without a group composed of members of Defense Services nominated by the commander in chief of the Defense Services to the two chambers of Parliament. The two vice presidents should be elected by two groups of the Electoral College composed of members of two chambers of Parliament. [number as heard] [applause] Members of Parliament from the Defense Services nominated by the commander in chief of the Defense Services are already included in the two chambers of Parliament."

In the recorded portions of delegates speeches carried on 23 and 24 March, U Sam Lut Naw is the only delegate to have received applause for his speech. In this session, the recording of his speech was interrupted by applause four times.

Next, U Min Naing, an artist, reads the report of the group representing intelligentsia and intellectuals. The report suggests the additional principle—that "the state is a state where indigenous fraternal national people live in unity through weal and woe" and the term "Myanmar" refers to all national groups residing in the state—be added to the already accepted four principles concerning sovereignty, government, territory, and population. The report also suggests that a national group, regardless of whether or not they obtain the self-administered status, should have the right to participate in their regional affairs and to freely preserve the language, literature, culture, customs, and traditions they cherish according to the law. The report also calls for prevention of exploitation of one race by another.

Continuing the report, Henzada U Myint Wai proposes that three groups of the Electoral College elect the country's president and two vice presidents. The report also proposes that the president be elected in the last month of the third quarter of the fiscal year to give sufficient time to the president to attend to financial matters.

Next, the report prepared by the group representing public servants is read by U Maung Maung of the Ministry of Hotel and Tourist Industry. The report proposes to include the provision: "Myanmar is a sovereign and independent state" in the chapter on the state in order safeguard and uphold national sovereignty and independence.

Continuing the report, U Yan Naing Aung of the Ministry of Agriculture, proposes that areas of strategic, economic, and administrative importance be declared as "Union territories under the direct administration of president." Addressing the issue of granting self-administered areas, U Yan Naing Aung expresses the view "that it is not appropriate for a national group, which already has the status of region or state, to demand the status of self- administered division or self-administered zone in another region or state." He says similarly, if a national group has been granted a self-administered zone or self-administered division in a state or division, it is not appropriate to grant self-administered zone or self-administered division status to the same national group in another state or region.

Next, Dr. Kyaw Win of the Ministry of Health continues reading the report of the public servants. The report proposes the corollary to "the basic principle that the president must be loyal to the nation and its citizens, the president or one of his parents, or his spouse, or any of his legal children, or spouse of any of his legal children shall not owe allegiance to a foreign power or serve a foreign power and shall not be a citizen of a foreign country." The report also proposes that the president be well versed in the national affairs to have correct judgement and effective leadership. The report also proposes that the president meet the residency requirements of at least 20 years in the country.

Lieutenant Colonel Tin Kha of the Defense Ministry continues with the report of the public servants. The report deals with the 37 basic principles proposed by the group dealing with citizenship, term of office of the president, requirement for president and vice president to resign from a social or religious organization from the date of his election, and qualifications for president and vice president. The report says the group representing public servants gives priority to emergence of a modern and developed state.

The plenary session ends at 1605 after the submission of the reports.

Delegates Present Proposals

BK2503104094 Rangoon Radio Burma in Burmese 0630 GMT 25 Mar 94

[Text] The plenary session of the National Convention continued at 0900 this morning in the Central Meeting Hall of president's residence compound on Ahlone Road, Yangon [Rangoon].

The plenary session was attended by the chairman of the National Convention Convening Commission, Lieutenant General Myo Nyunt; the vice chairmen, Lt. Gen. Maung Thint and Brigadier General Myo Thant, and commission members; the chairman of the National Convention Convening Work Committee [NCCWC], U Aung Toe; the vice chairman, U Tha Tun, and work committee members; the chairman of the management committee, Brig. Gen. Tin Aye, and committee members; delegates; and local and foreign correspondents.

At the plenary session, U San Tha Aung of the Mro or Khami National Solidarity Organization acted as the acting chairman; Dr. Than Nyunt, Daw May Than Lwin, U Mahn Ohn Maung, U Kan Nyunt, U Soe Maung, U Tin Maung, U Khin Maung Htoo, and U Sai Aung Htun participated in the panel. U Khin Maung Myint, director general of the Office of the NCCWC and in charge of the meeting, acted as master of ceremonies.

First, the master of ceremonies announced that 663 out of 694 delegates attended the meeting and declared the session successful.

According to the agenda, the delegates from the delegate group representing other invitees read proposals to report their fundamental principles related to the state, state structure, and head of state chapters that will be included in drawing up the constitution.

U Saw Hla Tun from Sagaing Division and Dr. Han Saw of the Mandalay Institute of Medicine read the proposal paper collectively prepared by the delegate group representing other invitees; (U Mahn Ko Gaung Khun) read the proposal paper belonging to the delegate group representing the invitees from Special Region-1, Kachin State; and (U Gabal Byan) read the proposal paper belonging to the delegate group representing other invitees from Kayan Group. Afterwards, the plenary session recessed at 1100. The afternoon session of the National Convention plenary session is continuing in the Central Meeting Hall of the president's residence compound on Ahlone Road, Yangon.

Brunei, Malaysia & Singapore

Malaysia

Australian Minister Says Relations "Successful"

BK2403141694 Melbourne Radio Australia in English 0630 GMT 24 Mar 94

[From the "International Report" program]

[Text] Relations between Australia and Malaysia are healthy. That's the view of the Australian trade minister, Bob McMullan. He is the first government member to visit Malaysia since Prime Minister Paul Keating's reference to Dr. Mahathir as recalcitrant threatened trade and diplomatic links. Indeed, despite Prime Minister Mahathir's apparent sensitivity to outside criticism, Senator McMullan said he would strongly encourage Australian business to invest in Malaysia. Trevor Watson reports from the Malaysian capital, Kuala Lumpur:

[Begin recording] [Watson] Malaysia's Trade Minister Rafidah Aziz met with Senator McMullan in the room she used for discussions with the minister's predecessor, Peter Cook, at the height of last year's row. While those earlier talks were charged with Malaysian threats and, I understand, Australian counterthreats of trade sanctions, Senator McMullan simply described his meeting as very useful. The new trade minister was reluctant to dwell on the crisis of last December, preferring to point out that bilateral trade grew by 30 percent in 1993, and is now worth $2 billion [currency not specified] a year.

[McMullan] There are the jobs of thousands of people in each country dependent upon the success of our trade, and so we are both working to maintain and build on that success.

[Watson] How would you characterize the relationship now, sir?

[McMullan] Oh, I think it is a successful working bilateral relationship which is very successful at a trade level and is healthy at all those other things that are part of relationship between neighbors—to do with tourism, cultural exchange—but the strength of the relationship in the commercial, the trade, the investment relationship, and that is very strong and rapidly growing. 1993 was a year of outstanding growth in trade between our two countries.

[Watson] While Malaysia could have suffered serious trade, investment, and employment losses, Kaula Lumpur was prepared last December to threaten links with Australia over Paul Keating's remarks. In the end, the prime minister said he regretted the remarks and relations rapidly returned to normal. Now it's Britain that's bearing the brunt of Dr. Mahathir's wrath. Last month, Kuala Lumpur announced that in future British firms would be barred from government contracts in retaliation for London media allegations of high-level corruption in Malaysia. The move could cost British industry billions of dollars. Given that so much can hinge on a loose word from a foreign leader or a newspaper article, would Senator McMullan encourage Australian business to invest in Malaysia?

[McMullan] Yes, we are encouraging Australian business to invest throughout the region, we've consciously, as a matter.... [pauses] The government has consciously done research and released a report showing that more investment in this region will lead to more trade and create more jobs. So we encourage people to do it. It's a question for any individual company where their corporate strategy and their view of whether they might make a profit is where they should invest and if that happens to be Malaysia well then we will recommend that they do it.

[Watson] Dr. Mahathir now says he may consider lifting the ban on British firms when the British press stops telling lies about Malaysia. [end recording]

Minister Calls for Immigration Policy Change

BK2403142694 Singapore THE STRAITS TIMES in English 23 Mar 94 p 2

[By Felix Soh]

[Text] Malaysia has proposed that workers involved in Growth Triangle projects should be allowed easier movement between the three countries.

Malaysian Foreign Minister Datuk Abdullah Ahmad Badawi said yesterday that he raised this matter during talks with Singapore leaders.

Speaking at a press conference at the end of his two-day official visit here, he said he had also suggested that arrangements be made to facilitate the speedy crossing of the Causeway for tourists from Malaysia and Singapore.

Datuk Abdullah, who was here at the invitation of his Singapore counterpart Professor S.Jayakumar, yesterday met Prime Minister Goh Chok Tong and had a two-hour informal dialogue with Young PAP [People's Action Party] members. On Monday, he called on President Ong Teng Cheong, Senior Minister Lee Kuan Yew, Deputy Prime Minister BG [Brigadier General] Lee Hsien Loong and Home Affairs Minister Wong Kan Seng.

He said that these meetings provided an "excellent opportunity" for him to discuss bilateral matters as well as forthcoming events like the first meeting of the ASEAN Regional Forum in July.

At the press conference, Datuk Abdullah said that there should be closer contact between the young people of Singapore and Malaysia to improve their understanding of each other.

He disclosed that he had mooted proposals for the easier flow of the labour force working on specific projects in the three Growth Triangle countries, and between Singapore and Malaysia during his talks with Singapore ministers.

He said: "We want to see more projects which are established on the basis of bilateral and trilateral collaboration, not just individual country projects."

He elaborated: "In other words, we will have Singaporeans, Indonesians and Malaysians working together and experiencing a new cooperative effort to cultivate projects successfully. We can optimise the labour and skill resources and consultancy services available.

"In my view, this is the sort of modality that can become the catalyst for future closer relations between the three countries."

He said Singapore leaders had told him that they would look into the matter.

He stressed that he was not advocating a general opening of immigration doors.

Said Datuk Abdullah: "I don't want to create the misunderstanding that I am suggesting to my brother countries—please open your doors wide and allow anyone to enter and ask for jobs.

"I am talking in terms of specific projects which have been set up under the name of the Southern Triangle venture so that those who are involved in these projects should be given the facility to move in and out.

"For example, if some Johoreans want to work in Batam or Singapore, then they should be allowed to move there quickly and come out."

On implementing measures to facilitate the crossing of the Causeway for tourists, he said the recently-completed North-South Highway had made it more attractive to travel by road to Singapore and vice-versa. "Why can't we make some arrangement to allow tourists to cross the border very quickly and not get caught at the Causeway for hours?" he asked. "The Causeway check-point has become a choke-point."

One measure, he suggested, could be prior checking in the city. With a special permit, passengers on a tourist bus can be cleared without their having to disembark for immigration checks.

"The point is, if you want to encourage tourism in Malaysia and Singapore, let's have such an arrangement so that both countries can benefit," he said.

Singapore

Rescue Squad Finds Missing UK Soldiers Alive

BK2503083994 Kuala Lumpur BERNAMA in English 0645 GMT 25 Mar 94

[Text] Kuala Lumpur, March 25 (OANA-BERNAMA)—The five British soldiers who went missing on Mount Kinabalu, Southeast Asia's highest peak in the east Malaysian Sabah State, are alive and were spotted Friday by a Royal Malaysian Air Force helicopter combing the area.

The group, missing since March 8, was sighted at 10.10 am about 15 km from Nalangkap Nahandang Village, Captain Mohamed Affendie Mohamed Hanafi of the Defence Ministry's Public Relations Unit said.

Another helicopter with a rescue squad, including several members of a British search and rescue team was immediately sent to the area.

Cambodia

Sihanouk Sets Date To Hear People's Grievances

BK2503054594 Phnom Penh AKP in English 0400 GMT 25 Mar 94

[Text] Phnom Penh AKP March 25—His Majesty Norodom Sihanouk, king of Cambodia, has set the date of April 12 to hold the first in a series of people's audiences to hear the grievances of his "common people" from 9 a.m. to noon at the royal palace.

The king, who has recently been released from Beijing hospital where he received medical treatment for his tumour near prostrate area, is scheduled to return to Phnom Penh on April 8 after his brief visit to North Korea. The following day he will officiate at a 90th anniversary memory ceremony for his late mother, Queen Kossamak Nearirat, and then meet envoys who have been accredited to Cambodia during his absence.

In his message to his compatriots dated on March 23 and received by AKP today, the king said he would hear "five very serious problems or difficulties" in his first people's audiences. He, however, did not identify those five serious problems.

The people's audiences to hear grievances of the people date back to the 1950s and 1960s when the royal palace was open to hear and judge complaints.

"I know," the king said, "your problems are much more numerous than five, but we must make a choice."

Selections will be made by the high privy council of the king who will meet next week in the royal palace to examine any submitted problems.

The king has said previously he will only listen to the grievances and leave implementation of solutions to government officials.

To Study Most Serious Complaints

BK2403144994 Phnom Penh National Radio of Cambodia Network in Cambodian 1100 GMT 24 Mar 94

[Message from His Majesty King Norodom Sihanouk Varaman dated 23 March—read by announcer]

[Text] I am honored to inform all of my beloved compatriots of the following:

1. In order to revive an excellent tradition of Sangkum Reas Niyum [Sihanouk's former ruling party] of the 1950's and 1960's, I will receive once a week the representatives of my respected and beloved little people who wish to communicate to me any serious problems or difficulties they experience in their livelihood.

2. On 12 April 1994, from 0900 to 1200, at the Phouchoakni Pavilion in the royal palace I will be happy to welcome the representatives of my respected and beloved little people who wish to relate to me five of their most serious problems.

3. I also understand and know that all my respected and beloved little people are experiencing not only five problems in their lives. We, however, are forced to screen and select only five of these problems to facilitate their solution. This screening and selection shall be undertaken by the samdech and excellencies the private

advisers of the king of Cambodia. In order to make the screening and selection of these five most serious problems submitted by the representatives of the respected and beloved little people for the royal audience on 12 April, these private advisers of the king will meet soon at the Damnak Chan Pavilion in the royal palace.

All my respected and beloved little people who experience problems and difficulties are invited to send their representatives to meet with the private advisers of the king in order to submit their complaints in time for screening and selection.

Please accept the most profound affection and greetings as well as the five Buddhist blessings from me and my wife.

[Signed] Norodom Sihanouk

Sihanouk 'Worried' About Pailin Offensive

BK2503115394 Hong Kong AFP in English 1104 GMT 25 Mar 94

[Text] Phnom Penh, March 25 (AFP)—Cambodian King Norodom Sihanouk is "worried" about his government's offensive against the Khmer Rouge stronghold at Pailin and wants to see dialogue re- established between the two sides, his foreign minister said Friday.

Prince Norodom Sirivut, speaking after his return from Beijing, where he visited the king, said Sihanouk was "in fine form" as he recovered from prostate cancer surgery in the Chinese capital.

King Sihanouk is "in good health," said Prince Sirivut. Government sources said the king has seen his cancer reduced "95.5 percent."

As for the Khmer Rouge, the prince said "We should not close (?the door) on them. We have to give them the chance to return to the international community" and Cambodia should avoid "putting their backs to the wall," the prince said.

"We have tried the policy of the carrot, of the open door and then that of the stick, but now we have to allow the Khmer Rouge the opportunity to come forward to talk," he added, describing his discussions with the king.

He said Sihanouk was "a little worried" about the government offensive launched on the Khmer Rouge base at Pailin, in northwest Cambodia, earlier this month, and particularly about the ability of Phnom Penh to keep control of the area.

"His concern is justified, and I therefore have messages" for co- Prime-Minister Prince Norodom Ranariddh "about His Majesty's thoughts on Pailin," Sirivut added.

He said China, an ally of the Khmer Rouge from 1970 until the Paris peace accord of 1991, "thinks it is not at all appropriate to involve itself in a little war" against the rebel movement.

The dialogue between Cambodia's government and the Khmer Rouges has all but broken down, as the guerrillas refuse to lay down their arms and allow access to territory under their control as called for under the peace pact.

The offensive on Pailin follows last month's battle for another major guerrilla stronghold, the northern town of Anlung Veng, in which the government suffered a major defeat.

King Sihanouk is expected to return to Phnom Penh on April 8 after visiting his long-standing friend, North Korean leader Kim Il-song in Pyongyang, where he arrives on April 4 to celebrate Kim's birthday.

Sirivut added that the king had reiterated his support for Cambodian Finance Minister Sam Rangsi, who also visited the monarch in Beijing.

Rangsi's clean-up of the economy and the friction it caused, particularly with Thai investors, resulted in rumours that he may lose his post.

Station Denies Reports on Pailin Battle

BK2503052094 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Mar 94

[Station commentary: "Why Do the Communist Vietnamese Force Their Puppets and Lackeys To Bark Repeatedly about the Pailin Battlefield and Why Does the Alliance Tremblingly Echo the Shouts?"]

[Text] Since they sent their lackey puppets' troops to carry out military operations in the Pailin region on 28 February, the communist Vietnamese and Western alliance have ordered the puppets to bark repeatedly about the Pailin battlefield. As for their propaganda machines, including AFP and the French, Australian, and American radios, they have relayed the shouts in a shameless manner, showing their face as the undeniable propaganda apparatus of imperialists. While they barked that they had captured this or that village, they said that they had already postponed their military operations. Later, they claimed that they were continuing their offensives and that they were this or that far from Pailin.

The general public asks: In the circumstances where the king father calls for an end to the war and the entire Cambodian nation and people abhor the battle, why do the communist Vietnamese continue to force their lackey Khieu Kanharit to bark repeatedly about the attack on the Pailin battlefield, and why do the alliance's propaganda machines tremblingly echo, in earnest, the shouts in complete contradiction of the truth? Because:

1. The communist Vietnamese and the alliance as well as their lackey puppets within the two-headed government need to bark sharply and (?lie) profusely in accordance with the tactics [word indistinct] employed in the time of

Hitler to conceal their most shameful and utter defeat on the Anlung Veng battlefield.

2. They need to bark to prevent their troops from becoming further demoralized and to motivate them to further invade this or that area in line with their plan and policy to continue the Vietnamese war of aggression.

3. They need to bark to threaten the masses and people in Phnom Penh and provinces not to rise up against them with regard to the problems of land, Vietnamese nationals, wages, and corruption.

All in all, their actions are a psychological war to fool their troops on the Pailin battlefield into going to war and to prevent the latter from breaking loose and ceasing to fight. Apparently, the communist Vietnamese puppets and two-headed government have continued to live on by waging war. They need to launch the onslaughts on the Anlung Veng and Pailin battlefields to collect money from foreign warmongers who want Cambodians to get killed further. This is why they have painstakingly muffled such barks.

In Phnom Penh, nobody can be trusted. The communist Vietnamese deceive the alliance; the alliance deceives the Vietnamese lackey puppets; and the Vietnamese lackey puppets deceive the two-headed government and glibly lie to the communist Vietnamese and the alliance. It is not known who deceives who and who lies to whom. So what is the truth behind this?

It is that the invading forces of the communist Vietnamese puppets and two-headed government are being surrounded by the people and National Army of Democratic Kampuchea [NADK], which have constantly attacked them everywhere, such as in the Battambang provincial town, Kamping Puoy, Thnoeng, Sdau, Treng, and along Route 10. As of 18 March, nine of their T-54 tanks have been blown up, and more than 300 of their troops have been killed and 400 others wounded. Apart from this, they have been afflicted with malaria, typhoid, and diarrhea, and many of them have died while many hundred others have been shipped to the rear. The event at the Anlung Veng battlefield is clear evidence.

Moreover, the puppets and two-headed government, especially the communist Vietnamese, have already been aware that in 1985 and 1990, tens of thousands of troops from the genuine Vietnamese 330th, 309th, and 4th divisions and the puppet 4th and 196th divisions backed by nearly 100 tanks, multiple rocket launchers, and cannons could do nothing to Pailin. Now, with the untidy soldiers, illegitimate officers and generals, and Pol Sareoun always staying in an armored carrier, can they live long? This can be seen in broad daylight. Nevertheless, they need to launch such offensives only to save themselves from peril now and then.

Army Moves To Hold Pailin 'Forever'

BK2403141494 Hong Kong AFP in English 1247 GMT 24 Mar 94

[Text] Battambang, Cambodia, March 24 (AFP)—Government forces were hacking a path to Pailin Thursday to bring up fresh troops and supplies to ensure they could hold the former rebel base "forever," a senior general said Thursday.

General Pol Saroeun, Phnom Penh's deputy chief of general staff, said Khmer Rouge guerrillas were staging attacks elsewhere to try to draw government forces out of Pailin.

"But we are not so stupid to do that. We have to maintain Pailin forever," he said.

To hold the former rebel headquarters in northwest Cambodia, he said, 20 kilometers (12 miles) of the old main road into Pailin had to be cleared of the jungle overgrowth and mines which had left it impassable for years.

"Soldiers have already started to clear the road from Chireang to Pailin and the work should be finished within a week," the general told AFP.

Pol Saroeun said access to Pailin via the stretch of former National Route 10 through what had been Khmer Rouge-held territory was essential so that fresh troops, supplies and heavy weaponry could be sent in to secure the town.

The access would also help thwart any Khmer Rouge counter-attacks, he said.

Government reinforcements, supplies and weaponry are now taken in by truck over a muddy jungle track which snakes around hills and mountains for some 30 kilometers (20 miles) in a journey that can take up to three days.

The general admitted the unusually heavy rains in the past few days were creating difficulties for government forces.

Two soldiers were killed and one wounded when a tank they were travelling on hit an anti-tank mine Tuesday as [words indistinct] to bypass the bogged-down traffic on the road.

Communique Further Details Capture of Pailin

BK2403142294 Phnom Penh National Radio of Cambodia Network in Cambodian 1200 GMT 24 Mar 94

[Communique of the Khmer Royal Armed Forces General Staff on additional results in the total capture of Pailin area; dated 24 March—read by announcer]

[Text] After totally capturing Pailin area on 19 March, the Khmer Royal Armed Forces [KRAF] swept up those who obstinately refused to lay down their weapons and return to national society.

While launching the sweep operation in Pailin City, the KRAF made an appeal and gave an assurance in line with the national reconciliation policy of the Royal Government of the Kingdom of Cambodia, which stresses:

1. The Royal Government of Cambodia [RGC] still recognizes all compatriots as Cambodian citizens like all innocent Cambodians in general who are currently living with the RGC. The RGC always cares about the fate of all compatriots.

2. The RGC guarantees its recognition of the ownership of land, houses, and all other property that the compatriots possess currently in line with the provisions of the existing laws of the Kingdom of Cambodia.

But, the obstinate Khmer Rouge ringleaders did not heed this appeal. They instead launched attacks against the KRAF. In the combat for self-defense, the KRAF killed 35 hardheaded Khmer Rouge elements on the spot; seized a tank, 453 assorted guns, 70 metric tons of assorted ammunition, dozens of tons of war materiel, two bulldozers, a Toyota car, a 751-A cistern, (?a jeep), and 80-meter radio antenna.

[Signed] General Pan Thai for the KRAF General Staff
Issued on 24 March 1994

Indonesia

Muslims 'Mature Enough' for Leadership Change

BK2503023294 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 25 Mar 94

[Text] Defense and Security Minister Edi Sudrajat and Religious Affairs Minister Tarmizi Taher say religious believers are are currently mature enough to face a leadership succession. Speaking during a news conference yesterday, the defense and security minister said national resilience, particularly in the face of the leadership succession, is in good condition and there is no situation that may lead to an upheaval. According to Minister Edi Sudrajat, national resilience must be consistently enhanced. Thus, the defense and security minister called on all parties to continue to enhance national resilience.

Meanwhile, Religious Affairs Minister Tarmizi Taher said the fact that Muslim scholars had directly asked the head of state about the leadership succession is proof of the high degree of their concern. In addition, the Muslim scholars hope that everything will proceed constitutionally for the sake of all Muslims.

Editorial Views Declining Textile Exports

BK2403141894 Jakarta SUARA PEMBARUAN in Indonesian 9 Mar 94 p 2

[Editorial: "The Decelerated Growth of Textile Exports"]

[Text] The government considers the slow growth in the export of textiles and textile products between January and November 1993 to be a serious matter. The total export growth of non-oil/non-gas commodities last year reached 21.89 percent, but exports of textiles and textile products only increased by 2.8 percent. Hartarto, coordinating minister for industrial and trade affairs, said this to reporters on Tuesday (8 March) after meeting President Suharto at the Bina Graha Presidential Office in Jakarta. He said that as a result, the government is going to handle the matter more seriously and will review existing policies by holding a coordinated meeting with the Department of Industry, Department of Trade, the Office of the Coordinating Minister for Economy and Finance, and the Bank of Indonesia.

According to Hartarto, efforts to look for new ways to make Indonesian textiles and textile products more competitive in the global market will be discussed at the coordinated meeting. The coordinating minister of industry and trade and other concerned ministers have already gathered all the facts relating to the textiles issue, and they will find concrete measures to solve the problem of slow export growth comprehensively. We can understand why the government is very concerned about the decelerated export growth of textiles and textile products. This is because they have always been the prime export commodities from the non-oil/non-gas sector. The fact that state receipts from the export of textiles and textile products earn the biggest foreign exchange earnings among exports outside of the non-oil/non-gas sector means that last year's slow export growth was acutely felt.

It is worrisome to see that the export of textiles and textile products rose by only 2.8 percent in 1993 compared to the growth of 35.59 percent in the export of processed wood. The export of processed wood is currently the second biggest contributor to foreign exchange earnings after textiles and textile products.

The decelerated export growth of textiles and textile products will probably disrupt the smooth flow of foreign exchange earnings into the country. The impact will be more serious this year with the price of oil in the international market falling to about $13 per barrel, largely due to oversupply and OPEC's indecision over what to do with the glut.

The fluctuating world oil price is expected to create a deficit in the 1994-1995 state budget. Finance Minister Mari'ie Mohammad says the government will be forced to draw on its 3.5 trillion rupiah development fund reserves in order to offset the possible shortfall in revenue. The development fund reserves would not need to be drawn upon, however, if the export of non-oil/non-gas commodities could be accelerated to a level that would balance the declining exports of oil and gas. In any event, the export trend of non-oil/non-gas commodities depends on the export growth of textiles and textile products, which earn the biggest foreign exchanges.

The government was right when it decided to take serious measures to overcome every obstacle that is causing the slow export growth of textiles and textile products. There is no doubt that it will not be easy to solve the export problem, especially when it concerns textiles and textile products.

On one side, the producers and exporters of textiles and textile products have been urged to boost the export of their commodities to increase exports from the non-oil/non-gas sector and balance the budget deficit caused by the decrease in state receipts from oil and gas taxes. On the other side, the producers and exporters of textiles and textile products are bogged down by all kinds of impediments that hinder them in producing market quality products that can face stiff competition in the global market.

We often hear the exporters of non-oil/non-gas commodities complaining about the decelerated growth of their exports. They say that the high interest rate of bank loans, complicated export procedures, difficulties faced in importing raw materials, and the payment of other unnecessary costs that are not stated in the trade regulations have contributed to the slow export growth. It looks as if the time has come for the government to seek a comprehensive settlement on the issue of export procedures. Likewise, we used to ask the National Export Development Agency (BPEN) to look into ways to overcome problems faced by the Indonesian exporters. Do we need another institution, besides BPEN, to help exporters overcome their problems?

It is hoped that the inter-departmental coordinated meeting proposed by Hartarto will comprehensively discuss the factors that are causing the slow growth of commodity exports, especially textiles and textile products. We should take concrete measures to seek an effective solution to the problem in order to expedite and boost the export of non-oil/non-gas commodities.

Philippines

Government Concerned Over Crisis in Korea

BK2503054394 Quezon City Radio Filipinas in English 0230 GMT 25 Mar 94

[Text] The Philippine Government says it is ready to evacuate the Filipinos staying in South Korea in case tension escalates between Seoul and Pyongyang. The two Koreas have placed their armies on alert following the U.S. decision to station patriot missiles in South Korea. Administrator David Cortin of the Overseas Workers' Welfare Agency said there are some 6,000 registered Filipinos in South Korea. Cortin said the contingency plan for these Filipinos has been activated in the event the situation in Korea worsens.

The Philippine Government is concerned over the breakdown of U.S-North Korean dialogue over the nuclear arms inspection issue. Foreign Affairs Secretary Roberto Romulo said the breakdown in the talks may isolate North Korea which may lead to a miscalculation from a nuclear perspective. Referring to fears of war in the Korean peninsula, President Ramos said support must continue for those seeking the right path to peace.

In the Senate, Foreign Relations Committee Chairman Blas Ople said a war in the Korean peninsula can put the Philippines and other nations under obligation to send combat troops to fight under the United Nations flag. Ople's fear is shared by Senator Rodolfo Biazon who warned that moving Asian and UN troops the frontline will escalate tension which can explode into a full confrontation.

SRV Rejects Sison Request for Peace Talks

BK2403121694 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 24 Mar 94

[Text] Vietnam has rejected the request of Jose Ma. Sison, Communist Party of the Philippines chief, to participate in the peace talks between the government and Communist Party of the Philippines-New People's Army-National Democratic Front. Vietnam made it clear that its role in the peace talks is merely to serve as the host country. The peace talks will be held in Ho Chi Minh City.

President Ramos also has no plan to ask for Vietnam's help during his visit to Hanoi next week. Ramos will only thank Vietnam for agreeing to host the peace talks.

NPA Strength, Arms Inventory Said Declining

BK2403121094 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0930 GMT 24 Mar 94

[Text] Rafael Alunan, secretary of the Department of Interior and Local Government [DILG], said earlier today that the strength of the New People's Army [NPA] continues to diminish. Based on the latest statistics, the NPA rebels number only 8,300. Alunan added that the Philippine National Police and DILG are now ready to head the counterinsurgency campaign in 1995:

[Begin Alunan recording in English, in progress] ...with the peace process. The strength of the NPA, for example, has dropped from 25,000 in 1987 to just 8,350 by 1993, or one third of its strength. In terms of firearms holdings, in 1987 they had a total inventory of 15,500; today, it is down to approximately 7,600. [end recording]

CPP Leader Urges Formation of 'New Party'

BK2503111094 Manila BUSINESS WORLD in English 23 Mar 94 p 16

[Text] A detained leader of the Communist Party of the Philippines (CPP) yesterday urged his comrades to continue the fight against the movement's Europe-based leadership and form a new party with a strong ideological foundation.

In an interview with newsmen, Arturo Tabara, one of the communist leaders opposing Jose Maria Sison, said "its never late" for the movement to make a comeback if all oppositionists in the party will "unite in forming a new party different from Sison's." He added, Mr. Sison's view of armed struggle as the best means to further the party's political agenda must be changed in order to give way to more important considerations of the times.

Mr. Tabara revealed that before his capture in Bacolod City last January, the oppositionists were already planning to establish a party with a different ideological base.

He has lost touch with his comrades, he said, but he remained hopeful of the emergence of the new party soon. Mr. Tabara said anti-Sisonists equal the strength of Mr. Sison's allies in terms of membership as they number 9,800 nationwide. He admitted, however, that Sisonists have more arms because they have more money.

Thailand

Condition Set for Imposing Tariffs on Films

BK2503095594 Bangkok MATICHON in Thai 25 Mar 94 p 6

[Text] According to a report from the Commerce Ministry, during the negotiations on tax reduction under the General Agreement of Tariffs and Trade, the United States demanded that Thailand reduce its tariffs imposed on cinematographic film imports from 10 to 2 baht per meter. However, Thailand insisted on the minimum rate of 5 baht per meter and would agree to further lower the tariffs only if the United States removes it from the (PWL) watchlist.

Regarding the U.S. call for the calculation of import tax based on the value of the imports, the Finance Ministry said that it could not give up the present calculation system, which is based on the condition of the imported goods. However, futher details of the present tax calculation system will be spelled out in the memorandums on trade with the United States and New Zealand so as to convince the two countries that their exports to Thailand will not be subject to high import duties, at least, not higher than those calculated in the U.S.-proposed system.

Foreign Ministry on U.S. Exploitation Charge

BK2403141094 Bangkok Radio Thailand Network in Thai 1200 GMT 24 Mar 94

[Text] Pratyathawi Tawethikun, deputy permanent secretary of the Foreign Ministry, commented during a press briefing this afternoon on the U.S. citing Thailand as a country where the sex trade and the exploitation of women and children are rampant. He said that the Thai Government has been trying to both suppress and prevent prostitution and the abuse of women and children. He said the problem exists not only in Thailand, but everywhere, and therefore it is unfair to accuse Thailand in that manner.

Regarding the procurement of Thai women for prostitution abroad, the deputy permanent secretary said those responsible for the trade are foreigners, including the American people themselves who lure Thai women for prostitution with the connivance of Thai people. He believed other countries have an understanding for Thailand regarding the U.S. accusation. The Foreign Ministry and Thai embassies will explain this matter to foreigners for the sake of better understanding. They will also launch a campaign to prevent Thai women from being lured for prostitution abroad.

Countries Asked To Check Bomb Suspect Sketches

BK2503031394 Bangkok THE NATION in English 25 Mar 94 p A1

[Text] Police have asked four unidentified countries to check if sketches of two suspects in the "truck bomb" conspiracy look like anybody in their terrorist blacklists, police chief Prathin Santipraphop said yesterday.

Prathin also said he was "not confident at all" that Thai police would be able arrest the culprit behind the foiled attempt to carry out what could have been the worst sabotage on Thai soil. He added it was most likely the criminals had fled overseas.

"I have sent the sketches of two suspects to four countries, which I can't name at the moment, in the hope they may know their identities," Prathin said. Those countries have official organizations which keep records of international terrorists, he added.

Asked if Thai police would be able to arrest the culprits, Prathin said: "I'm not confident at all." He added that he was not afraid of the "political consequences" of his remark.

Pratin said the large amount of fertilizer found in a truck abandoned by an Arab-looking man near the Israeli Embassy in March 11 after a minor accident was uria nitrate, not ammonium nitrate as previously reported.

"I've checked with foreign experts and it turns out the bomb does not have as much destructive power as we first thought," he said.

Meanwhile, a police source said one of the terrorists behind the conspiracy is believed to be among three men still at large after bombing the World Trade Centre in New York in February last year. The source said Mir Aimal Kansi 30, is one of the three suspects. The combined rewards for information leading to his arrest in connection with the worst terrorist act on US soil amounts to $2 million.

Police suspect this man was behind Bangkok's truck-bomb attack but that he fled the country through a border point in Songkhla province last week.

The source said officials at Sadao district, on the border with Malaysia, remembered a man "who looked like an Arab" crossing the frontier on March 15. They had photocopied his fake Pakistani passport.

The source said the picture in the passport looked like Kansi except that his haircut had been changed.

About 300 senior metropolitan police officers attended a special meeting yesterday on how to cope with saboteurs using explosives. The meeting at the metropolitan police headquarters was held because "metropolitan police have no knowledge about how to cope with suspicious objects or explosive materials," according to Pol Maj Gen Somchai Praphatpakdi, deputy Bangkok police chief.

Officials on Bangkok Truck Bomb Incident

BK2503055094 Bangkok Radio Thailand Network in Thai 0000 GMT 25 Mar 94

[Text] Speaking of the recent bombing incident in Bangkok, Pratyathawi Tawethikun, deputy permanent secretary of the Ministry of Foreign Affairs, said that the Ministry of Foreign Affairs received information about it before the explosives were uncovered, but no exact date, time, and place of operation were known. Therefore, it was difficult to prevent the incident. However, more preventive measures are now required for important places, while cooperation is being undertaken with various countries in preventing serious incidents, and good relations are to be maintained with Middle East countries.

Talking about safeguarding peace and order in the country, Khachatphai Buruitphat, deputy secretary general of the National Security Council, said that if everyone helps government authorities keep a close watch on the matter, he believed the acts marring public peace and order can be prevented. Besides, everyone is urged to have confidence in the ability of intelligence officials in carrying out their duties, because they have always been working attentively and trying to find ways to prevent mishaps. Additional preventive measures have also been implemented.

As for the development of the investigation into the case of international terrorist operations, Police General Prathin Santipraphop, director general of the Police Department, said that the arrest of the culprits seems unlikely because it is believed they have already left the country. However, cooperation has been sought with other countries that are expected to have a criminal background on the group of terrorists so that further police action can be taken to arrest them.

Meanwhile, the interior minister has called a meeting of officials concerned to follow up the case and find guidelines to prevent such incidents.

UN Aid Requested for New Cambodian Refugees

BK2503033094 Bangkok THE NATION in English 25 Mar 94 p A3

[Text] Thailand should tell the United Nations of its concern over the thousands of Cambodians fleeing military action by their government and seek the setting up of a safe area for them in Cambodia, not Thailand, according to a high-ranking government source.

The UN in New York should be informed by letter about the situation in Chanthaburi province, on the Thai-Cambodian border, where about 30,000 Cambodians, many the families of Khmer Rouge fighters, have fled, the source said.

UN agencies such as United Nations Border Relief Organisation and the International Red Cross should immediately help by setting up safe areas on Cambodian territory. The United Nations High Commissioner for Refugees (UNHCR) is limited in its function and can provide humanitarian assistance only on the Thai side.

The source said Thailand does not want to shoulder the burden of caring for Cambodians fleeing attacks by their own government and wishes that the fighting should end soon for the sake of the people and the country.

"Thailand shouldered the burden of Cambodian refugees for years before UN agencies and other organizations stepped in," he said.

According to the source, Khmer Rouge troops may attack a government military base in Cambodia's Battambang province bordering Thailand's Sa Kaew province and the Cambodian government troops there may seek help from Thai troops across the border.

"An attack there would result in an additional influx of Cambodians into Thailand. Thai authorities know of the possibility and will soon meet to arrange a plan for the fleeing Cambodians," he said.

The Foreign Ministry will raise the issue with Cambodian Foreign Minister Prince Norodom Sirivut who will visit Bangkok for two days, starting on Monday.

Cambodia will provide additional time to Thai loggers hauling logs out of the country on a case-by-case basis, depending on payment, an informed source said. The present deadline for removing the logs is March 30.

Prime Minister Chuan Discusses Refugee Issues

BK2503112194 Bangkok Radio Thailand Network in Thai 0530 GMT 25 Mar 94

[Text] Prime Minister Chuan Likphai today granted an interview to reporters at the Bangkok International Airport before making an official trip to the southern province of Pattani on the fighting situation in Cambodia.

He said that according to the latest information received, 25,000 Cambodians have fled into Thai territory. Thailand therefore has to provide them with shelter and safety in line with humanitarian practice. No time period has been set for repatriation. They will be sent home once the fighting in Cambodia ends. In case the problem becomes a prolonged one, the United Nations High Commissioner for Refugees will be requested to take care of them again. At the time being, he was not sure whether coordination has been made with the UN.

On the question of Cambodian armed forces encroaching on Thai territory, the prime minister said that if that happens, Thailand will have to take action in accordance with the rules. Any Cambodian faction would have to be disarmed in order to avoid any international conflict.

On the fear that the Thai border will be used as a base for a Cambodian faction, Chuan said that issue should not be a concern, as he has instructed the officials involved to prevent such problems from occurring. Therefore, the Thai people should feel relaxed on this matter.

PRC Minister To Visit, Discuss Cambodia

BK2503094794 Bangkok XING XIAN RIBAO in Chinese 25 Mar 94 p 8 Mar 94

[By correspondent Liu Zhenyan]

[Text] An informed diplomatic source told our correspondent last night that Chinese Vice Foreign Minister Tang Jiaxuan will pay a three-day visit to Thailand starting 3 April at the invitation of the Foreign Ministry. During the visit, he will discuss bilateral relations and the Cambodian problem with Thai officials.

Tang Jiaxuan is scheduled to hold talks with Permanent Secretary for Foreign Affairs Pracha Khunakasem on 4 April.

Chinese Foreign Ministry officials who will accompany Tang Jiaxuan's visit include Asian Affairs Department Deputy Director Zhang Jiuhuan (formerly political attache of The Chinese Embassy to Thailand). After his visit, Tang Jiaxuan will visit Malaysia and Brunei.

Tang Jiaxuan accompanied NPC Standing Committee Chairman Qiao Shi during the latter's visit to Thailand last August. Tang Jiaxuan, now 56, took up his current position since March last year.

Deputy Prime Minister Ends Visit to Finland

BK2503093094 Bangkok Radio Thailand Network in English 0000 GMT 25 Mar 94

[Text] Deputy Prime Minister Suphachai Phanitchaphak has concluded an official visit to Finland successfully. During the visit, during 17 to 20 March 1994, the deputy prime minister paid a courtesy call on Prime Minister Esko Aho and had consultations with Deputy Prime Minister [title as heard] (Kari Hopanatti) and Finnish business leaders as well as members of Finland-ASEAN Society. On trade cooperation, the two sides expressed satisfaction with rapid increase in trade between the two countries. Thailand asked Finland to increase imports from Thailand and give Thailand generalized system of preferences, or GSP. Both countries emphasized a new role of trading gateways to Indochina, Commonwealth of Independent States, and Russia.

During the visit, the two countries signed an agreement for investment promotion and protection. Thailand wants Finland to make direct investment in Thailand without going through a third country. Finland agreed to send experts to help Thailand on science and technology. It also asked to increase flight frequency to Bangkok to cope with tourist demand.

Thai Bank Expects Higher Economic Growth Rate

BK2503064394 Bangkok THAI RAT in Thai 25 Mar 94 p 7

[Text] Finance Minister Tharin Nimmanhemin yesterday reported on the country's economic, capital, and financial markets to Prime Minister Chuan Likphai. During the meeting, he told the prime minister that the country's economy is progressing in a good direction. Some past problems have been tackled well. The Bank of Thailand is readjusting its economic growth forecast from 7.8 percent to 8 percent, an increase of 0.2 percent. The growth rate is considered quite high. The new adjustment is likely to be announced in April.

Meanhwile, Tharin also said he has informed the prime minister that IMF officials would come to study and assess the Thai economy. The officials are specifically interested in the country's policy on wealth distribution to rural areas because they believe that Thailand has implemented such measures effectively. The IMF officials want clear a explanation of the policy so that it can be used as a guideline for conducting the study.

Association Pushing for Nuclear Power Plant

BK2503033494 Bangkok THE NATION in English 25 Mar 94 p A4

[Text] The Science and Technology Association has urged the government to decide soon whether to build nuclear power plants or not, Chairman Phanot Mikasen said yesterday.

Phanot, who claimed that the nuclear option was safe, said the government should decide soon because nuclear power plants take 10 years to complete.

"We have to get prepared for so many things," he said, citing lack of expertise as an example.

Compared with fossil fuels, nuclear power is clean. It doesn't release carbon dioxide into the atmosphere. Phanot said.

Current resources such as lignite and water are becoming scarcer and consequently will become more expensive, he said.

"Nuclear power is the most suitable energy for Thailand," Phanot said.

With cooperation from Canadian experts, he said the association is studying technology regarding the disposal of radioactive waste.

The association is also coordinating with the Electricity Generating Authority of Thailand to train new people.

Labor Sector Said Ill-Prepared for New Market

BK2503051094 Bangkok THE NATION in English 25 Mar 94 p B2

[Text] In the year 2000 and beyond, Thai labourers will be increasingly exposed to changing market conditions, academics said.

To help them cope with the rigours of competition, academics suggested that the education level of labourers as well as their ability to take the initiative to learn new skills should be improved.

In the seminar, "The Thai economy in the Year 2000", at the Royal Orchid Hotel on Wednesday, Dr Pawadi Thong-uthai, an associate professor of economics at Thammasat University, said Thai manufacturing industries in the future will have to place greater emphasize more on efficiency, cost reductions and the adoption of new technology. [sentence as published] They will have to respond quickly to market demand. With improved communications technology, they may have to adapt production in response to market orders and rely on fast delivery.

"Thailand will see growth in the adoption of the subcontract system, such as in garments and jewelry. This will reduce labour costs and help diversify risks. As the market will be increasingly volatile, (under the subcontract system) the main company will not have to invest (so much) in machinery. They can rely on the facilities of small subcontracting factories," she said.

Pawadi said to add production flexibility, the main plant will hire only the best workers and subcontract part of the production to small factories. Employment will be separated into two main categories. The first class labourers working at the main plant will have higher wages and more job security. The second class workers in subcontracting factories will be hired temporarily to fill individual contracts.

The subcontract system has both advantages and disadvantages.

It helps a company compete, if it can ensure strict quality control and especially if the main factory assists the subcontracting factories in utilizing new production techniques.

"But the downside is that labourers (in subcontracting firms) will not have job security. Even in Japan (where lifetime employment is a common pattern) the second class workers are the first to be laid off," Pawadi said. They tend to work longer hours, and under pressure.

Most of these 'second-class' labourers will have recently left the agricultural sector.

Vietnam

Russian Envoy Holds News Conference on Ties

BK2503083494 Hanoi VNA in English 0626 GMT 25 Mar 94

[Text] Hanoi VNA March 25—Russian Ambassador to Vietnam Mr R.L. Khamidulin held here yesterday a regular press briefing on the recent developments in the Russian Federation. Speaking about the friendship and cooperation between the Russian Federation and Vietnam, Mr Khamidulin stressed that the friendship and mutual beneficial cooperation between the two countries would be continously developed. The Russia-Vietnam cooperative projects are regularly carried out, and expected to be put into operation on schedule. An economic delegation of the Russian Federation Government is expected in Vietnam to attend the third session of the Russia-Vietnam Inter-Governmental commission to discuss the issues of common concern to promote the coming cooperation between the two countries, he added.

Cuban Foreign Minister, Delegation End Visit

BK2503012694 Hanoi VNA in English 1520 GMT 24 Mar 94

[Text] Hanoi VNA March 24—Cuban Foreign Minister Roberto Robaina Gonzales and his party left Ho Chi Minh City this afternoon, ending his 4-day official friendship to Vietnam.

Mr R.R. Gonzales was cordially received last night by Vo Tran Chi, secretary of Ho Chi Minh City party committee, who informed him of the city's socio-economic situation in recent years, and Truong Tan Sang, mayor of the city.

While in Vietnam, Mr Gonzales and his party paid a floral tribute to late President Ho Chi Minh at his mausoleum and visited his office.

The Cuban delegation paid courtesy visits to party General Secretary Do Muoi and Prime Minister Vo Van Kiet. It had working sessions with Nguyen Cong Tan, minister of agriculture and food industry and head of the sub-committee the Vietnam-Cuba Intergovernmental Commission, Le Van Triet, minister of trade, Nguyen Mai, deputy chairman of the State Committee for Cooperation and Investment, etc, to discuss measures to promote relations between the two countries.

Foreign Minister Nguyen Manh Cam held talks and gave banquet in honour of his Cuban counterpart during which Mr Gonzales expressed his thanks to the Vietnamese party and government for the warm welcome. He highly valued achievements recorded by the Vietnamese people in their renovation process and regarded it as an encouragement and valuable experience to the Cuban people.

During its stay in Ho Chi Minh City, the Cuban delegation called at Tan Thuan Export Processing Zone and other places of interest.

France Telecom Long-Distance Project Signed

BK2503090294 Hanoi VNA in English 0647 GMT 25 Mar 94

[Text] Hanoi VNA March 25—France Telecom on Wednesday became an important partner in the development of Vietnam's telephone network by signing the agreement in principle for a sizeable long-term cooperation project with Vietnam Posts and Telecommunications [VNPT]. The project, estimated by VNPT sources at USD 500 million, makes the French state group a major financial and technological investor in the country. Signing for France Telecom was M. Roulet, France Telecom's president who is leading a mission of five on a visit here. The mission, which includes representatives of France Cable and Radio and France Telecom Mobiles International, has been received by Deputy Prime Minister Phan Van Khai.

Bishop Huynh Van Nghi's Activities Denounced

BK2503091894 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 3 Mar 94 p 1, 3

["Text" of Announcement No. 19/TB-UB issued by Ho Chi Minh City People's Committee on 2 March: "Illegal Activities of Bishop Huynh Van Nghi in Ho Chi Minh City"]

[Text] The SRV Government already expressed its views to the Vatican about the latter's unilateral appointment of Bishop Huynh Van Nghi from Phan Thiet Diocese the Ho Chi Minh City Archbishop Office [HCMCAO] supervisor without consultation with the Vietnamese Government. The Ho Chi Minh City People's Committee [HCMCPC] also issued Announcement No. 100/TB-UB on 15 September 1993 to clarify its views.

Regarding Bishop Huynh Van Nghi, the Ho Chi Minh City government's attitude has been respectful:

- On 25 August 1993, the Ho Chi Minh City Fatherland Front and the HCMCPC Religion Department directly informed Bishop Huynh Van Nghi that his appointment to the HCMCAO was at variance with the SRV law, therefore, it was not accepted. The Decree No. 69 issued by the Council of Ministers on 21 March 1991 stipulates in its Article 19 that: "[The appointment of] clergymen such as Buddhist bonze superiors; Catholic cardinals, bishops, and supervising priests; and equivalent clergymen in other religions must be approved by the Council of Ministers". This regulation is also practiced by many countries in the world.

- On 5 September 1993, an HCMCPC authoritative official met and requested Bishop Huynh Van Nghi to stop all his activities as an HCMCAO supervisor.

However, Bishop Huynh Van Nghi has continued to select and appoint his general representative and representatives in charge of congregations and to set up the standing committee of the Ecclesiastical Regional Council,... at the same time, he has also presided many religious retreats, meetings,..., thus creating bad public opinion and affecting the public respectability to the law.

- On 28 September 1993, the HCMCPC Religion Department sent a letter to Bishop Huynh Van Nghi reminding him not to conduct any religious activities in Ho Chi Minh City pending an agreement between the SRV Government and the Vatican.

Regretfully, Bishop Huynh Van Nghi has not reciprocated the Ho Chi Minh City government's goodwill.

The HCMCPC had approved and created favorable conditions for the congregations to ordain 11 novices. But Bishop Huynh Van Nghi, on behalf of the HCMCAO, prevented the congregations' inviting other bishops to preside over the ordination in the city, causing difficulties for the congregations and relatives of the novices. Moreover, Bishop Huynh Van Nghi also sent letters to the supervising priests of related provinces, blaming the government. (the letter dated 5 October 1993 was copied and widely distributed among church followers).

For many months, Bishop Huynh Van Nghi continued to write and disseminate religious affairs letters and other documents on behalf of the HCMCAO.

The aforementioned activities by Bishop Huynh Van Nghi are violating the Decre No. 69 of the Council of Ministers, showing disrespect to the Ho Chi Minh City Government, and affecting the fine time-honoured relation between the government and the HCMCAO.

The law cannot be held in contempt. On 22 February, the Ho Chi Minh City government held a working session with Bishop Huynh Van Nghi to point out his violations.

In observance of the SRV Government's policy of freedom of religion, for more than 18 years, the HCMCPC has always created favorable conditions for the people to have an improved religious life-style and standard of living. The Catholic compatriots, due to the 1 May 1980 Open Letter of the Vietnam Bishop Council and the leadership of Archbishop Nguyen Van Binh, have actively contributed to the Ho Chi Minh City construction and protection and the building of the all-people unity and the unity between religious and nonreligious people. The government highly evaluates the patriotism of the Catholic compatriot who, together with other people in the city, has overcome difficulties and shared achievements and pride.

The HCMCPC is very much in sympathy with the earnest aspiration of the Catholic priests and followers to have somebody to lead this diocese for the continuation of the fine direction executed by Archbishop Nguyen Van Binh for many years and for religious prosperity and happiness.

On behalf of the HCMCPC, for the chairman, Signed: Vice Chairman Vo Viet Thanh

Increase in Smuggling, Drug Trafficking Reported

BK2503053694 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 23 Mar 94

[Text] The KINH DOANH VA PHAP LUAT (Business and Law) journal has recently reported that goods smuggling has been increasing since early this year. Concerned agencies recently detected two of out a group of eight foreign cargo ships carrying smuggled goods.

Drug trafficking has also been on the increase in recent days. In the first two months of this year, the authorities uncovered 17 cases of trafficking and confiscated 450 kg of opium and 0.72 kg of heroin. The most serious was the smuggling of 129 kg of opium by cadres of the Dien Bien goldsmith shop in Lai Chau Province.

It is noteworthy that the manufacturing and trading of fake goods done in meticulous ways are also widespread. Police nationwide have so far detected and dealt with 2,700 cases. This is a new challenge for responsible agencies in the struggle against smuggling.

TAP CHI CONG SAN

* TAP CHI CONG SAN for December 1993

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Renovating the Enterprise Model in Our Country

943E0008A Hanoi TAP CHI CONG SAN in Vietnamese Dec 93 pp 29-33

[Article by Nguyen Ngoc Tuan, economic specialist at the Ho Chi Minh City Center for Social Sciences and the Humanities]

[Excerpts] Socialism does not differ from capitalism in the formulas used to operate or regulate the economy but in the system of ownership of the basic means of production and the distribution system appropriate to this. In Vietnam today, we have just developed a commodity economy and so the production forces have low standards and development is not balanced. But the ownership model has certain special characteristics: a. The capital concentrated in the hands of the state in the form of state-owned enterprises [Footnote 1] is dispersed among the sectors and regions. In reality, this is divided among the sectors and regions. b. Ownership rights to the assets at the state-owned enterprises are not clear. c. The asset ownership rights of the state and the commercial rights of the enterprises have been merged. Because of this, the ownership model has been made single too soon, and it is not in accord with a commodity economy or the standards of the production forces, with the result that the state enterprises lack vitality. It is difficult for them to respond promptly in the face of market changes. Approximately 70 percent have encountered many difficulties (they are operating at a loss, debts are piling up, assets are depreciating, there is a lack of capital, and so on). It is difficult for capital to move from sectors and regions with poor results to sectors and regions with good results in order to improve the economic results of all of society.

Given the specific conditions mentioned above, how should the state enterprise model be renovated? It can be said that this is a key point in the theory of a socialist commodity economy and the central element in the renovation of our country's economy system. In this article, I want to contribute ideas on this issue. **The ineffectiveness of the traditional state enterprise model and the historical roots of this.** [passage omitted]

The contract enterprise model—strengths and weaknesses.

In this historical search, many countries have vacillated to the point of forgetting the principles, jumping from one side to the other and from "nationalization" to privatization, with the result that they have suffered economic defeats and political collapse. Some countries, however, have resolutely adhered to the basic guiding principles and "tied the eternal to the ephemeral." As a result, they have scored major victories in renovation and gained international recognition.

In our country, renovation of the state enterprise model got underway later, but in recent years, this model has undergone notable changes. The state has given up some of its powers, strengthened the rights of the state enterprises, greatly reduced the legal plans and norms and expanded the use of guiding plans and norms, and started collecting taxes instead of appropriating enterprise profits. Today, the state has switched to a "contract enterprise" model on a broad scale. The commercial assets of the enterprises are being evaluated based on the actual assets of the enterprise, rational profit levels are being determined, and norms to increase the assets, bonus-fine norms for the use of the assets, and profit-sharing norms in capital business are being established. At the same time, tests are being conducted in decentralizing state ownership at a number of state enterprises based on the "public enterprise" model.

As compared with previously improved state enterprise models, the "contract enterprise" model has several positive effects. Above all, this gives the enterprises greater independence with respect to managing and using the assets in accord with the laws. This encourages the laborers to pay attention to the results of the labor of both individuals and the collective (because their interests and income are tied to fulfilling or exceeding the contract norms). This encourages the enterprises to make production and the internal structure more efficient, provides a stable source of revenues for the state, and so on. However, this also has basic weaknesses:

This does not separate ownership functions from commercial functions, and because of this it does not eliminate direct interference by the administrative apparatus in the commercial production activities of the enterprises (in many cases, a number of localities and sectors even include their own tasks and contracts, which generates even greater interference). As Marx pointed out more than 100 years ago, capitalist commodity production will give rise to a wide gap between private ownership rights and command labor. Thus, capitalists do not have to be responsible for command labor. The person who owns the musical instruments of an orchestra, for example, does not have to be the conductor of that orchestra. The realities of our country show that the reason why enterprises outside the state sector are thriving is not because they have the "favor" of the state but because they have adequate commercial independence and are rarely subject to direct administrative interference.

This does not solve the problem of enterprises taking responsibility for profits and losses. To make up the losses, an enterprise must either use some of its existing capital or increase the price of its products. But no enterprise has sufficient existing capital to do this. And if an enterprise raises prices, how can it sell its goods, particularly at a time when cheap imports are being smuggled into the country in huge quantities?

The contracts cannot be met when outside factors (such as exchange rates, profit margins, prices, transportation conditions, the supply of raw materials, and energy) change.

This makes it difficult for the production factors to change, because the contract factors in the contract period do not change, it is difficult to change the payments, and the dependent relationship does not change. Furthermore, if a number of enterprises are achieving little or even suffering losses, all that needs to be done is to improve the situation a little and they can survive and keep from being disbanded. Clearly, this will block improving the results of all of society.

Because of the above weaknesses, even though the "contract enterprise" model is still attractive, in my view, in the future it will not be the best enterprise model in socialist ownership conditions.

Switch to an equity enterprise model

For a long time prior to the sixth party congress, we mistakenly thought that the equity enterprise model was a separate sphere of capitalism and that this served capitalism. We thought that developing an equity economy would lead to privatization and smash the public ownership system, the foundation of socialism. Actually, the seed of an equity economy has existed since Roman times. By the first half of the 17th century, particularly after equity companies in England were legally recognized as independent legal persons, the first relatively stable equity corporations appeared consisting of shareholders and long-term investors. They could not withdraw their capital, but they had the right to transfer and trade shares. During the period 1820-1830, because of the requirements of the industrial revolution and the needs in building national markets, much capital was needed to build an infrastructure (relying just on the capital of individual capitalists would not have provided sufficient capital). Because of this, a number of equity corporations (such as railroad, mining, and power corporations) came into being and expanded quickly in Europe and America. Now, equity enterprises have become a widespread organizational model in many countries, particularly in the economically developed countries. In England, in 1862 there were only 165 equity corporations. By 1890, the number had risen to 4,066 and by 1962 the number was 428,000, of which the majority were limited equity corporations. In the United States, in 1904 only 23.6 percent of the enterprises were equity corporations. By 1947, this percentage had risen to 69 percent, and by 1962 the percentage had risen to 78 percent. Today, the United States has more than 1.2 million equity corporations.

When studying the equity enterprise model under the capitalist system, Marx said that in an equity corporation, private ownership rights are separate from asset control rights, and these control rights are turned over to the "united laborers," that is, society. Through the equity enterprise system, the assets of the private capitalists invested in the corporation are transformed into direct social assets. From that, Marx concluded that the equity system will do away with private capital. As the equity economy expands and penetrates deeper and deeper into new production sectors, it will eliminate private capital more and more. This is a purely transitional point leading to a new form of production (meaning socialist production).

Viewed in this way, the equity enterprise model is not the product of capitalism. It is both the product of a commodity economy and the condition for expanding the commodity economy and expanding large-scale production and socialization. The striking characteristic—and also a strength—of the equity enterprise model is that it separates ownership rights from commercial rights, it separates administrative management from commercial management, and it really transforms the enterprises into relatively independent producers who are commercially independent, who are responsible for the profits and losses, and who are responsible for their own development. Under the equity system, the production rights of the enterprise are determined by the enterprise, and the share rights of the state and other shareholders are all equal. As the manager of society, the state collects taxes, and as an owner, it shares in the profits. Thus, the state will not have to concern itself with managing the enterprises as it did in the past. Because of this, it can concentrate its efforts on such things as formulating projects, setting guidelines for the growth of the sectors, monitoring and inspecting things, gathering information, and so on. Enterprise managers will be selected by the shareholders. They will form a management board to control the use, preservation, and growth of the capital and to ensure that better and better use is made of the capital. Implementing the equity enterprise model is an effective way to improve the isolated state enterprise model, create a competitive market system, encourage adequate competition, put an end to dividing state-owned assets by sector and region, and create channels for easily transferring production factors. With the equity enterprise model, the profitable enterprises will be able to issue and sell shares in order to expand production. As for those enterprises that are operating at a loss, because share prices will be low, they will go bankrupt or be taken over by other enterprises. This means that the sources of social strength will be integrated in an optimum way, and the results of the entire economy will improve.

Based on the above analysis, I think that the equity enterprise model should be the main guideline for renovating the ineffective state enterprise model in our country. Naturally, this model cannot reject the necessary existence of the state economic sector consisting of non-competitive state enterprises and enterprises that have a decisive effect on the national welfare and the people's livelihood and that maintain production stability and stabilize the markets. With respect to these enterprises, the state has a monopoly on investment for expansion and on control of production and markets.

The path of equitization in our country today is not one of turning private capital into social capital as under capitalism but one of restructuring the state enterprise model based on switching from absolute ownership by the state in which there is no competition to pluralistic ownership by society in which there is competition. At the same time, this will solve the problem of separating the ownership rights of the state from the commercial rights of the enterprises, eliminate direct administrative interference by authorities in commercial production, and eliminate domination and division of state-owned assets among the sectors and regions. At the microcosmic level, this will improve the production structure of the enterprises, accumulate capital, and strengthen vitality for production, and at the macrocosmic level, this will improve the traditional production system throughout society and effectively integrate national assets in order to improve economic results in general.

If we are to solve these two fundamental problems, we must not follow the privatization path of Western economists, who say that to develop a commodity economy, you must carry on privatization, develop a private economy, and then, when the private economy has accumulated capital, sell the state-owned enterprises to them and then equitize them. And we can't follow the path of shared-ownership enterprises, in which the state-owned assets are divided between the state and the enterprises. That would be unfair (because the assets of an enterprise are not created just by the labor of the workers and civil servants at that enterprise), and it would actually be harmful. In my view, the acceptable path is:

1. A state-owned asset management system must be built from the central central echelon to the localities. This must be independent of the state administrative management system. State-owned asset management rights must be separated from social administrative management rights, and the economic functions of the state must be directed toward the main tasks mentioned above. Only in this way will it be possible to maintain the independence and vitality of the enterprises, and thanks to this, the socialist system of public ownership will be solidified.

2. Under the unified control of the various-echelon state-owned asset management system, state-owned asset commercial corporations having a competitive nature must be built. These commercial corporations will not directly control or use the assets, but as owners, their function will be to monitor the use of the assets by the enterprises within the corporation.

3. After separating the two rights, pluralizing the ownership of the assets of the state enterprises, and building competitive markets, the large corporations and equity groups must actively be expanded and tied to each other with respect to occupations or products without regard to administrative boundaries in order to gradually establish social equity groups that are capable of carrying on commercial activities effectively and that have competitive strength on the markets. At the same time, an effort must be made to spread propaganda and guide people having capital (including cadres and workers) or social mass organizations in buying shares of the enterprise in order to attract the idle capital among the masses, reduce currency pressures on the markets, transform the idle capital into useful capital, and encourage the formation of a socialized investment mechanism and a pluralistic production structure.

The widespread implementation of the equity enterprise model requires that the necessary conditions be prepared:

There must be a fundamental change in viewpoint concerning socialist ownership, an equity economy, and the equity enterprise model. In guiding equitization, by sticking to 51 percent equity ownership in an enterprise, not only will the state control the assets of that enterprise but it will also control other assets, which will enable the socialist ownership system to be solidified and expanded. Even if private individuals own a majority of the shares in a number of state enterprises, that will not be a problem, because even though the state-owned assets may have changed with respect to material form, they will not decline in value, and the state will recover capital for investment in other enterprises. This will improve the investment structure and benefit the expansion of the country's important projects.

The state-owned assets must be evaluated, and there must be rational measures to allocate these assets by ownership level in order to transform the absolute ownership rights of the state into the plural ownership rights of society.

The market system and market mechanisms must be improved. This includes the various production factors (such as capital, labor strength, technical materials, and information). Steps must be taken to enable input factors to move easily throughout society.

Prices and profit margins among the sectors must gradually be "marketized," and prices must be regarded as a function of market supply and demand in order to ensure fair competition between enterprises.

The financial and national tax systems must be improved, and budget revenues and expenditures must be tied closely to each other. Tax measures that will benefit fair competition and stimulate production must be implemented. The tax collection and after-tax profit laws used by the ownership echelons must be relied on. Smuggling must be dealt with appropriately.

Ranks of equity enterprise and corporation leaders who know how to manage business and who have a thorough knowledge of markets, particularly bond markets and international markets, and the business principles of equity enterprises must be built.

Unemployment and unemployment insurance measures managed by the state and housing measures managed by the cadres and workers must be implemented in order to simplify the targets of the enterprises and help the enterprises reach the markets.

The Oil and Gas Market in Vietnam—The Real Situation and Solutions

943E0008B Hanoi TAP CHI CONG SAN in Vietnamese Dec 93 pp 34-35, 44

[Article by Nguyen Cao Vang]

[Text] A special characteristic of the oil and gas industry in Vietnam is that 100 percent of the products are imported from abroad and then sold on domestic markets. Since 1991, approximately 3 million tons of oil and gas have been sold on domestic markets each year. That is the equivalent of $600 million. (Most of the oil and gas is imported from Zone II markets.)

In previous years, the state made the Oil and Gas General Corporation (Petrolimex), which is subordinate to the Ministry of Commerce, responsible for all commercial aspects, including import and distribution functions, and for providing unified support on markets nationwide. But since 1991, various corporations (such as the Oil and Gas Import-Export Corporation, the Central Petroleum Corporation, the Saigon Petrol Corporation, the Vung Tau Joint Oil and Gas Services Corporation, and the Aviation Oil and Gas Corporation) and also a number of other units and organizations in the southern provinces have been participating in commercial activities and competing against the Oil and Gas General Corporation.

We realize that along with switching to a market mechanism, it is necessary to have many business entities and competition among the entities in order to prevent monopolies, give vitality to market activities, improve results, improve the quality of the commercial activities, and serve the consumers better. But what should be pointed out here is that competition on the oil and gas markets in Vietnam today is very different from this. Competition today is spontaneous and disorderly and is carried on to serve local and individual interests rather than to support production and the lives of the people. This is why the corporations and commercial organizations subject to state ownership lack wholesome competition and have failed to achieve results in importing and distributing oil and gas.

There are several main problems in our country's oil and gas markets that need to be given attention:

First, a number of corporations, units, and organizations engage in tax evasion (in both import and distribution activities). The state is losing both import duties and income taxes. According to regulations currently in force, the import duty on each ton of oil and gas is 40 percent of the import price, and the income tax is about 2 percent of the selling price. If a ton of imported oil and gas costs $220, the import duty is $88 (which is about 1 million dong). And if the selling price of a ton of oil and gas (approximately 1,200 liters) is 3 million dong (2,500 dong per liter times 1,200), the income tax is 60,000 dong (2 percent times 3 million dong). Thus, for every ton of oil and gas on which the taxes are not paid, the state loses 1,060,000 dong in revenues. According to statistics, of the approximately 3 million tons of oil and gas imported and sold every year in Vietnam today, the Oil and Gas General Corporation handle approximately 72 percent (about 2.16 million tons). The other corporations and commercial organizations handle approximately 28 percent (about 840,000 tons). Basically, the state can control and collect only the taxes owed by the Oil and Gas General Corporation. The state cannot control or fully collect the large percentage of the taxes owed by the other corporations and commercial organizations.

Second, because of tax evasion, competition between the oil and gas enterprises is not fair. As we know, the Oil and Gas General Corporation, which is directly managed by the state, must perform two functions: it must carry on profitable operations and also provide oil and gas to support the targets, including remote locations such as the mountainous areas where transportation is difficult and expensive, at unified "ceiling prices" (without distinction between remote and nearby and difficult and easy markets). In this situation, it is obviously difficult for the the Oil and Gas General Corporation to remain dynamic and keep up with market changes, and it is hard for it to compete with other oil and gas corporations and enterprises that are not directly controlled by the state. Because they are not directly managed by the state, these corporations and commercial organizations can not only avoid paying taxes but they can also easily raise or lower oil and gas prices instead of adhering to the state's stipulated price. Actual surveys have shown that the selling price of a liter of A76 gasoline in July 1993 varied as follows: In Hanoi, a liter sold for 2,900 dong while in Danang it cost 2,500 dong. In Ho chi Minh City it cost 2,400 dong, and in Can Tho the price was 2,300 dong. Clearly, these prices do not reflect a wholesome and fair nature in commerce. The main reason for this is that many oil and gas corporations and enterprises avoid paying taxes and so they can sell their products at a price below the stipulated price. Another reason for this is that they don't have to incur expenses in transporting gasoline to distant markets.

Third, because the oil and gas business lacks unified organization and management, investments have been skewed, and much capital has been wasted. It is estimated that the corporations that became involved in the oil and gas business just recently have invested more than 630 billion dong to build storehouses and to purchase means of transportation. At the same time, according to data of the Oil and Gas General Corporation, the existing storehouse system and means of transportation are adequate to satisfy the needs for storing and transporting all the oil and gas needed.

In order to solve the above problems, in my view, the following measures should be implemented:

1. The state must implement a mechanism to reestablish order in the oil and gas markets with respect to imports and internal distribution. The question is: On what viewpoints should this order be reestablish? In order to reestablish order, on one hand, there must be many commercial subjects to compete with and stimulate each other in order to improve commercial results and quality and to satisfy the varied needs of consumers. On the other hand, in terms of mechanisms, the state must have concrete and binding stipulations on commercial functions and responsibilities and commercial locations (nearby and remote) for each oil and gas business subordinate to the state sector. At the same time, commercial activities, from importing to distributing oil and gas within the country, must be monitored closely and tax evasion must be opposed in order to increase budget revenues. Based on this, fair competition must be ensured between the various types of subjects. This means that in all circumstances, to hit the state's macrocosmic targets of collecting the taxes in full and stabilizing the markets, market safety and civilization must be maintained based on the principle of "ensuring national interests and not interfering directly in the commercial activities of the primary-level economic units." The oil and gas business must be maintained based on a state-controlled market mechanism. There must be flexible coordination between commercialization of prices and oil and gas "ceiling price" management on markets nationwide.

2. In order to ensure that state control of the oil and gas sphere is effective, the immediate thing is to reorganize the system of oil and gas corporations and units and not to have too many oil and gas import centers or too many oil and gas import corporations and enterprises as at present. At a level of 3 million tons of oil and gas a year, we need only about four commercial subjects. This is a sector in which in the state monopolizes business. Thus, units and individuals cannot be allowed to "dominate" business and run after profits alone. In reality, the oil and gas subjects used to have a close relationship, but because they are subordinate to many different organizations, they compete for profits. On the other hand, the organizational system has many intermediary echelons and is dispersed, and this has created many difficulties for oil and gas activities throughout the country. In order to overcome this situation, the state's macrocosmic management mechanism with respect to the oil and gas sector must be changed. First of all, oil and gas prices must be stipulated based on having "ceiling prices by region" and stimulating the corporations in remote areas, particularly the mountain areas. Through this, it will be possible to bring about fairness in business and differentiate commercial areas (near and far) based on stimulating things using prices. In cases in which a subject must carry out both commercial tasks and political and social tasks, the state must implement concrete policies on prices, particularly for transportation expenses for long trips.

3. Viewpoints must be renovated, and forms for participating in domestic oil and gas activities must be expanded for the economic elements. Should the "dealer" form, in which foreign economic elements can open dealerships to sell oil and gas to the oil and gas corporations of the state, be used? Based on the experiences of Malaysia, of the 385 state oil and gas enterprises, Petronas, the state oil and gas corporation, has directly invested in only seven of 7 of the enterprises in order to provide a model and gain experience in managing and guiding things. The other 378 businesses are all dealerships. Using the "dealership" form has the following effects:

Adaptations to changes in the oil and gas market can be made quickly, trading periods are longer, and sellers are tied more closely to the business because it is more profitable.

The staff can be reduced quite a bit. For example, the Zone 1 Oil and Gas Corporation presently has 70 stations with more than 500 employees selling oil and gas retail. Altogether, the corporation employs 1,300 people. If the dealership form is used, this staff can certainly be reduced by about 30 percent.

This will put a stop to the negative aspects and corruption in the retail sale of oil and gas, because there will be unanimity between dealers and commercial interests.

The above effects will improve the commercial results of each station and of the entire oil and gas sector in our country.

Naturally, there must be a mechanism to manage the dealers, and the state oil and gas corporations must directly manage the dealerships with respect to the technical aspects.

The Situation of Primary-Level Cadres in Rural Areas Today

943E0008C Hanoi TAP CHI CONG SAN in Vietnamese Dec 93 pp 41-44

[Article by Le Huu Xanh, Ho Chi Minh Institute of National Politics]

[Text] In our country's rural areas today, there are more than 987,000 party members active in more than 630,000 party chapters. They live and carry on activities together with more than 80 percent of the country's population in more than 8,800 villages composed of more than 50,000 hamlets. These party members play a very important role in the movement to develop rural life and our country's agriculture in all respects.

Reality shows that the strength of the party members and of the movements in the rural areas depends mainly on the quality of the core cadres at the primary level. There is no doubt about this.

1. Looking at the past 8 years of carrying on renovation, in difficult conditions, most of the primary-level cadres in the rural areas have remained zealous and dedicated to the work, and they have overcome the difficulties, maintained their quality, and striven to complete the tasks assigned them. Some of the primary-level cadres have matured, actively overcome the difficulties, expanded agriculture with a commodity production orientation, begun to tie production to markets, and contributed to changing the socioeconomic situation in the rural areas in basic and important ways.

Result will vary depending on the region and base, but clearly, if most of the cadres fail to maintain their quality and prestige and cadres lack the ability to carry out the tasks, it will not be possible to make good changes in the various spheres in the rural areas.

Surveys in a number of localities show that 77 percent of the cadres in general, 69.7 percent of the cadres in the 10 primary positions, and almost 75 percent of the cadres in the 3 key positions have made a great effort to carry out the tasks.

Some people say that the great leap forward made by our country's rural areas and agriculture is due to the fact that the mechanism has been renovated and not to the ranks of primary-level cadres. But that is not true. It's true that this is due in large part to the mechanism. But without people, how could the mechanism "enter" life? Furthermore, the mechanism is set up by people. Without people, how could there be a mechanism? The reason why the mechanism to renovate agricultural management has been able to manifest strength is that it has been developed, tested, and reviewed at the primary level. The great achievements scored by the primary-level cadres are very clear and cannot be denied.

The rural area cadres have matured through production and work realities, and they are tied to production and the lives of the people in the locality. Because of this, they have the capabilities to find real solutions to the conflicts and problems that arise in the rural areas. This is a great and very basic advantage. At the same time, among these cadres, a rather large percentage have undergone training and matured in the military and in organizations, enterprises, and schools. Statistics from a number of localities show that in the 10 primary positions, 58 percent are demobilized soldiers and 3 percent are retired cadres. As for the three key positions, the percentages are 64 percent and 6 percent respectively. This is a special characteristic of the ranks, because their structure has undergone clear changes during the past 15 years.

The average age of the rural area cadres has gradually declined, forming clear age-group categories. In 1992, surveys conducted at 100 villages in five rural areas representative of the entire country showed that 46 percent of the cadres were age 35 or below (an increase of 2.3 percent as compared with 1989), 34 percent were between the ages of 36 and 45 (an increase of 1.8 percent as compared with 1989), and 26 percent were 46 or older (a decline of 0.8 percent as compared with 1989). In particular, in the three key positions, 47 percent of the cadres were 40 years old or younger (a decline of 3 percent); 42.5 percent were 41-45 (a decline of 2.8 percent); and 10.5 percent were 51 or older (a decline of 1.1 percent).

Another point that must be affirmed is that the primary-level cadres, particularly those in the key positions, have made important advances with respect to cultural, theoretical, and managerial standards. As for cultural standards, 50 percent of the cadres have level-II standards, and 26.3 percent have level-III standards. In the 10 primary positions, 54.5 percent have level-II standards, and 38.4 percent have level-III standards. As for political theory standards, in the 10 primary positions, 52 percent have elementary standards, and 18 percent have middle- and high-level standards, and in the 3 key positions 35.1 percent have elementary standards and 38 percent have middle- and high-level standards. As for managerial standards, in the key positions, 24 percent have studied economic management, and 18 percent have studied state management. In each of these spheres, the percentage has increased an average of 1.8-2.5 percent as compared with 1989. What should be pointed out is that at many bases, this factor has played a decisive role with respect to development in the locality.

2. However, it must be admitted that among the ranks of rural area cadres, there are many problems that need to be solved.

Surveys conducted at many village bases show that 14 percent of the cadres in general, 17-21 percent of the cadres in the 10 primary positions, and more than 16 percent of the key cadres need to be replaced. The limitations of the primary-level cadres in the rural areas today are evident in the following main aspects:

First, the standards of a large percentage of the cadres are low (also, there are rather wide variations between regions). In the 10 primary positions, more than 11 percent of the people have level-I cultural standards (in the Central Highlands the percentage is 17 percent). In the three key positions, more than 8 percent have only a level-I education (more than 14 percent in the Central Highlands). As for economic management standards, in the 10 primary and 3 key positions, the percentages of people who have received training are 11 percent and 24 percent respectively. The percentages for state management standards are 8.2 and 18 percent respectively.

For the entire rank of cadres, with respect to cultural standards, 19 percent have only a level-I education (more than 58 percent in the Central Highlands), and almost 2 percent are illiterate (17.2 percent in Gia Lai and Kontum Provinces). Only 3 percent have received training in economic management, and only 2 percent have received training in state management.

In general, cadres in the rural areas have not been trained in all respects, and they cannot carry out the tasks assigned them. Because of this, in carrying out the tasks, they rely mainly on their experience and do things in an arbitrary manner. They do not do things democratically, and they act in an irresponsible manner. This is the case in many places to varying degrees.

Second, the forces of young cadres are still sparse, and the number of female cadres, of whom there are already very few, is clearly declining. Surveys conducted in 19 villages in Thai Binh, Quang Nam-Danang, and Minh Hai Provinces during 1991 and 1992 show that in the 10 primary positions, only 15 percent of the cadres are below the age of 30, and only 10 percent are women (both categories have declined an average of 0.6 percent as compared with 1989). In the three key positions, only 5 percent of the cadres are below age 30, and only about 1 percent are women (a drop of 0.2 percent). In particular, surveys conducted in 11 villages in Hai Hung, Thua Thien-Hue, and Ha Tay Provinces show that 10 of the villages do not have any female cadres in the three key positions.

The same is true nationwide. Of those participating at the village party committee echelon during the period 1991-1993, only 17 percent of the cadres were below the age of 30, and only 11 percent of the cadres were women. Those are alarming figures that need to be given attention.

Third, the work style of cadres in general is administrative and bureaucratic in nature. Above all, the key village cadres meet too often. We noted that in seven villages in two provinces, during the first 3 months of 1992, there was an average of seven meetings a month. The activities of many primary-level cadres, particularly those in the 10 primary positions, consist mainly of going from their homes to their offices. Because of this, they are unaware of what is happening in the hamlets and villages or learn about what has happened only much later.

3. The material and spiritual lives of the primary-level cadres are very difficult, and many of these cadres have many desires and concerns.

Surveys conducted in six villages in Hai Hung and Minh Hai provinces show that up to 9 percent of the families are poor. As for those cadres who were "pillars" in previous years and who have remained loyal, upright, and incorruptible, they and their families are still living in poverty. Most of the recent arrivals are former soldiers who have just matured. Because of this, they are in dire economic straits.

The "hunger" for information among primary-level cadres is a widespread phenomenon. Normally, each village receives only a few newspapers, and these are reserved for the key cadres. Their information is mainly in the form of official letters and directives from higher echelons. The rest comes from listening to the radio, but fewer than half of the cadres have a radio. In the past, a number of villages had a system of public loudspeakers, but because of poor management and the elimination of state subsidies, almost all of these are broken. Because economic life is still difficult, few primary-level cadres are able to obtain information and study on their own in order to raise their standards.

For several years now, many places have had a policy of not promoting primary-level cadres to the district level. Because of this, the young cadres at the primary level have not seen any way to advance. At the same time, because the procedures and policies regarding primary-level cadres are inappropriate, the common tendency of cadres today is to "concentrate on engaging in economic activities for their families." If they participate in activities, they want to participate only in cooperatives and administrative organizations. They are very afraid of engaging in party and mass organization activities.

Besides this, at times the echo of a "new authoritarian" class in the rural areas has generated many concerns among the primary-level cadres, particularly the young cadres.

Also, the ideological differences among the various strata of cadres are becoming clearer and clearer, and these have led to unfortunate conflicts. Some older comrades think that younger cadres are impolite, rude to superiors, and unwilling to listen. Conversely, younger comrades think that older cadres are conservative, paternalistic, and empirical.

4. From various studies, we can see a number of factors that exert a powerful effect on the ranks of rural area cadres:

a. Prior to the Fifth Plenum of the Communist Party of Vietnam Central Committee, we had not conducted in-depth studies or formulated a basic and synchronized economic and social development strategy or strategy for building the new rural area. Many of the economic and social policies on rural areas were inappropriate and slow to be changed. We were slow to clarify the functions and tasks of the organizations in the political system at the primary level, and we were slow to formulate unified work regulations based on cadre positions.

b. There are still a number of shortcomings concerning the leadership and management responsibilities of the echelons directly superior to the primary level. They have not adhered closely to the ranks of primary-level cadres (monitoring things mainly through records and reports), and appropriate and effective policies and solutions have not been implemented. Staff and support elements have not done a good job of guiding and controlling the bases.

c. Primary-level cadre planning and training has not been carried on well in accord with the the positions of the cadres. The selection and assignment of cadres is still characterized by either a lack of democracy, localism, and rightist tendencies or an attitude of "wait and see" and "lethargy."

d. Many of the policies on primary-level cadres are sketchy and even "uneven" and irrational, but little has been done to overcome this situation. There are no effective regulations or solutions to prevent and put a stop to corruption, undemocratic actions, local thinking, and factionalism, which are things that have led to disputes and disorder in the rural areas.

5. Based on the present situation, in order to solve the above problems, in my view, efforts should be concentrated on clarifying and resolving the following:

As for organizational activities, solidifying and improving the party and administrative organizations, cooperatives, and mass organizations should be closely tied to implementing the programs and hitting the targets related to developing the economy and society and building the new rural area in accord with the special characteristics of each region. Based on regulating the assignment of the managerial and leadership positions of the administrative and party organizations at the primary level, studies should be done in order to "frame the responsibilities" of a number of key and primary cadre positions at the primary level in places where this is possible in order to improve the effectiveness of the apparatus. The experiences of Hai Hung, Thai Binh, and Ha Tay Provinces show that the village party committee secretary can serve concurrently as the chairman of the village people's council or village people's committee and that the party chapter secretary can serve concurrently as hamlet chief.

In my view, the lessons in establishing "hamlet administrative committees" in Dai Loc in Quang Nam-Danang Province and the "hamlet administration" form—a partial echelon in Thai Binh—are good lessons. The task of these units is to help the village people's committees manage all aspects in the hamlets over which the village people's committees have jurisdiction. They can even regulate production (the function of the production units).

As for cadre work, the echelons directly superior to the bases must regularly make inspections and categorize the ranks of key cadres by position in order to organize and arrange things in an appropriate manner. At the same time, cadre standards must gradually be formulated by position. For example, cadres in the delta areas must be at least level-II graduates. Depending on the conditions, those in the mountainous areas and Central Highlands can have lower standards, but cadres engaged in some task must definitely receive training concerning the responsibilities, tasks, and technical aspects of that job. At the same time, the cultural standards of the cadres must gradually be raised.

The system of classes and cadre training programs must be renovated in accord with the special characteristics of the rural area. These should be short-term classes that are tied to the positions of the cadres. Attention should be given to the forms used to introduce and study the good experiences at rural bases.

Cadre work, from observing and evaluating to training, assigning, rewarding, and disciplining cadres, must be democratized. Biased, narrow, and local thinking must be avoided. Along with perfecting the the work regulations of the organizations, we must continue to formulate and perfect the stipulations on the rights and responsibilities of all types of cadres based on their position. These regulations and stipulations must be made public in order to facilitate controlling and monitoring the activities of the organizations and cadres.

As for policies, village cadres are part of the ranks of party and state cadres in the present four-echelon party and administrative system. Because of this, studies should be done so that, if possible, the wage system can be applied in a suitable manner. The first thing is to unify the system of allowances based on position for the cadres at the primary level. At the same time, we must continue to examine, supplement, and perfect the procedures and policies regarding state cadres who work in rural areas for long periods, particularly technical cadres.

In summary, in expanding agriculture and developing the rural areas in our country, the primary-level cadres in the rural areas play a very important role. Whether our country's agriculture and rural areas make rapid and good progress depends to a great extent on the standards and strength of these cadres. Building and strengthening the ranks of primary-level cadres in the rural areas is a basis for strengthening the role and increasing the strength of the party.

Comments on Recent Literary Works

943E0008D Hanoi TAP CHI CONG SAN in Vietnamese Dec 93 pp 50-52

[Article by Tran Huu Nghiep, M.D., teacher, member of the Ho Chi Minh City's Writers Association]

[Text] In the introduction to the "Human Comedy," Balzac wrote: "French society is the real narrator. I am just just the secretary who records things." I would like to ask if Vietnamese society today has such a secretary in such works as "Noi Buon Chien Tranh" [The Sorrows of War], "Ly Than," "Noi Loan" [To Rebel], "Bi Kich Nho" [A Small Tragedy], "Chuyen Lang Cuoi" [The Story of Chuoi Village], and so on. Naturally, in fictional literary works, imagination plays a very important role. I am not naive or simple-minded like the woman who looked at a painting by Matisse and then said: "He painted this woman with unequal arms." To which the famous painter responded: "You are greatly mistaken! This is not a woman but a painting."

The act of creation, how the artist subtracts or adds things, starts from the guiding idea of the artist, because each artist must obtain the "materials to construct" his works from real life. Two-hundred years ago, Goethe said that the materials used to create a work have things in common with the author that they can easily see, grasp, and write about or create. Thus, the plots may have something in common with the author, but that is not true for the majority of readers. Three centuries ago, a talented French writer who was a social realist, Boileau, commented that the best poem or the loftiest idea cannot make a person happy if that person's ears are damaged.

I think that the ears of many people were damaged when they read "To Rebel," "A Small Tragedy," and a number of other recent works even though, in the words of Goethe, they perhaps had many things in common with the mood of the author. In "To Rebel," the detailed descriptions in the rooms or beneath the waters off the coast of Vung Tau and the "collapse" of the degenerate writers in former Saigon all "salute defeat." I remember that the "forces to defend national culture" at that time condemned the immorality of a number of those works. "A Small Tragedy" is another immoral work. Actually, the motive resembles that of "Hon Vong Phu" as portrayed in several Taiwanese videos, which I have seen recently: Two siblings have the same father but different mothers. Because of historical events, they do not recognize each other. They fall in love and intend to marry. But in Taiwan, the writer did not dare allow the characters to engage in incest. As for the concept that the family is "lasting," when the young man arrives from mainland China, he is constantly portrayed as stupid and rustic. In "A Small Tragedy," Quang, an overseas Vietnamese who is now a French citizen, returns to his native country. He is wealthy, well-educated, and polite. Uncle Ca likes him very much and says: "Vietnamese should be polite like him. For several decades, we have been waging a revolution and have forgotten how to be polite. That is very important." (Page 36)

At the beginning of "A Small Tragedy," the author devotes an entire page to write the one sentence: "I offer my great love." Reading the book, I looked for the target of "my great love." Was it a person? The fatherland? Or a system to constantly improve mankind that we can respect? I had been very careless, because the author had clearly provided the answer on page 34 (line 6): "If you have loved, will you encounter great love like Cay? That is not easy."

Based on the examples cited, recent short stories and novels in our country are filled with falsehoods. As the philosopher Jean Paul Sartre would say, I hope that in the coming period, these "falsehoods do not become beliefs" that writers want to transmit to readers. In my view, all writers have their own ideas about life. When they write something, they want to construct a world of man and things in order to represent those ideas.

Thus, after reading a short story or novel, I usually try to understand what secret ideas the author really wanted to present through his characters and scenes.

Even though I know that Vu Ngoc Phan, in his book "Modern Writers," has divided Vietnamese novels into ten categories and that the researcher Thanh Lang has organized works by their creative tendency (emotion, struggle, realism, humor, memoirs, and so on), I want to divide the works that I have read into two types: the constructive type that fosters confidence in people and the type that sows doubts in people. I would like to share this viewpoint with readers.

Unfortunately, it must be noted that recently, many short stories and novels of the second type have appeared on the market.

Naturally, writers will counter by saying that "my intention in portraying the evils in society is to help improve society." I don't want to waste time arguing but would simply like to cite an observation made by a well-known aesthetician: "Distortions of reality and the truth certainly follow propagating unethical principles and lead to nullifying what is beautiful. Even though this may not be the intention of the writer, refusing to portray social life as it is is a defense for base instincts, a beautification of many evils in the hottest selling publications, and a manifestation of what is called serving mass literature." (Avener Ziss, "Elements d'Esthetique Marxiste," Progress Publishing House, 1977, page 60]

This phenomenon has existed in literary circles recently. Without going into too much detail, I will limit my thought to two works, "Ke Sat Nhan Luong Thien" [The Upright Murderer] and "Noi Buon Chien Tranh."

After finishing "Ke Sat Nhan Luong Thien," I felt as if I had read a work steeped in the philosophy of "L'homme Revolte" [The Rebel] by Albert Camus, ideas that he wanted to convey to European youths following the world war. According to Camus, man seeks the exalted in revolt, because this is the task of the "present" of everyone. This is existentialism. In our society today, not all murderers can be viewed as upright people. Isn't there another way of revolting if we still believe in the system and place ourselves among the people of the system? In the old society, there may have been upright murderers. Such as Chi Pheo, whom Thi Mo viewed as "at times being as mild as a dove" but who later stabbed Ba Kien to death before killing himself. In the story "Ke Sat Nhan Luong Thien," the system has never rejected the main character's position as a human being. He has never suffered injustices as great as those mentioned in the press for so long without anything being done. Or we could ask any elderly cadre who left home after 23 September 1945. They could tell several stories about their old homes (the homes of their parents or homes that they purchased being leaving), which they have not demanded be returned to them. Instead, with confidence in the system that they helped build with their sweat and blood, their "revolt" has followed a different course. No one has become a murderer. Instead, various medals are pinned on their chests.

I would also like to say something about "Noi Buon Chien Tranh." The great emotions that the author wanted to portray are contained in the final section. Absurdly, "during the Vietnamese-American war, people shared the same fate with ups and downs, victories and defeats, happiness and suffering, death and life." (page 281)

After finishing the book, I thought about a number of the works of the great existentialist Jean Paul Sartre and his arguments about the "nausea" of human existence.

The materialistic philosophers of Marxism-Leninism have commented a lot on existentialism. Here, I will simply quote Jules Romains, a very progressive writer: "In taking up arms in war, no one can say that he is a victim or that he is naive or uninvolved." Thus, people must think hard before deciding whether to desert or enlist. Desertion? The person will lose honor among people of his own generation and others in his native village, and he may even lose his loved ones. Thus, he must elect to "enlist," hoping for the day there is peace. After the war, desires may not be fulfilled or they may be fulfilled only partly. Thus, there is sadness.

As a doctor, I have had a chance to attend the "inventories of individual assets" of many northern youths who went to B and later died of malaria or hematuria. I have read the very private diaries of a number of these people before the diaries were turned over to their unit before being returned to the family. I can assure you that none of these diaries contained any thoughts about "the sorrows of war."

Meeting a number of cadres who were wearing military uniforms and handling B-52 bombs in the forests, I asked them their feelings about past events. All of their views can be summarized by a poem by the French poet Alfred de Vigny, who wrote a poem in praise of the heroism of those who fight and make sacrifices in self-defense: "Signs, tears, and cries for mercy are all insignificant." Or as Goethe wrote: "If the suffering enables us to gain happiness, what does the suffering matter?"

Someone will surely ask: How much does happiness cost? My response is, We have already discarded two layers of "rock" that pressed the heart and mind of Phan Boi Chau his entire life. Those are the disgrace of losing the country and the nation's poverty in the eyes of the world. We have replaced that with the rose of wonderful hopes for the future of the country and men of humanism.

Are there negative aspects in society today? Of course there are. President Ho said: "There is nothing more precious than independence and freedom." But because they were slaves for so long, many people are not yet awake enough to realize that they are the masters of their homeland and that they are free. I would like to use the title of one of the novels by Albert Camus. People mistakenly view themselves as "the stranger" in their own land.

Our party knows that freeing mankind from unjust oppression, poverty, backwardness, and corruption is very difficult. Thus, it has called for a resolute struggle by all people. I think that writers, more than anyone, should be aware of this.

Symposium on Marxism-Leninism and Our Era

943E0008E Hanoi TAP CHI CONG SAN in Vietnamese Dec 93 pp 61, 62

[Article by Tran Quang Nhiep, M.A.]

[Text] The central council that is guiding the preparation of national instructional materials for courses in Marxist-Leninist theory and Ho Chi Minh thought held a symposium on "Marxism-Leninism and Our Era" in Hanoi on 14-16 October 1993. The purpose of the symposium was:

To affirm our attitudes and positions on Marxism-Leninism and Ho Chi Minh thought, with this regarded as our ideological foundation and compass for action. To clarify the theoretical and practical basis of this affirmation.

To defend and develop Marxism-Leninism, oppose plots to eliminate Marxism-Leninism and socialism in conditions in which the world is undergoing many changes and in which the country is facing great difficulties and challenges.

To exchange opinions on a number of the most common and important issues of Marxism-Leninism that are related to the topics, and to create a unified basis for preparing the instructional materials.

Almost 100 people attended the symposium. Dao Duy Tung, a member of the Politburo and Standing Committee of the Secretariat and council president, and Nguyen Duc Binh, a member of the Politburo, director of the Ho Chi Minh Institute of National Politics, and vice president of the council, attended and presided at the symposium along with council standing committee members Nguyen Dinh Tu, the secretary of the Communist Party of Vietnam [CPV] Central Committee and head of the Department of Science and Education of the Central Committee, Dang Xuan Ky, a member of the

CPV Central Committee and head of the Marxist-Leninist and Ho Chi Minh Thought Research Institute, and Nguyen Duy Quy, a member of the CPV Central Committee and director of the National Social Sciences and Humanities Center. The council members, the chairmen, vice chairmen, secretaries, and members of the five instructional materials preparation committees and secretariat, and a number of full-time cadres who are monitoring the KX-10 program attended, too.

Dao Duy Tung, who gave the opening speech, stated the goals and requirements of the symposium and, at the same time, pointed out the discussion format. He called on the scientists to go to the heart of the issues raised and discuss things with a democratic and scientific spirit and a lofty sense of responsibility.

Professor Dang Xuan Ky, in his introductory remarks, raised a number of theoretical and practical issues of Marxism-Leninism and methodological issues in understanding, developing, and defending Marxism-Leninism today.

The scientists attending the symposium discussed things very vigorously. Many of the ideas manifested new approaches with independent and creative ways of thinking. There were 41 speeches. Many people spoke two or three times and frankly debated specific issues. The symposium revolved around five main issues:

1. Correctly understanding Marxism-Leninism and issues concerning methodology:

Those at the symposium analyzed the essential points in great depth in order to correctly understand the basic theoretical contents of Marxism-Leninism. Based on this, they unanimously affirmed the great role of Marxism-Leninism in our era. Even though socialism has now collapsed in many countries, Marxism-Leninism is still our banner and a compass for our actions. The collapse of socialism in the Soviet Union and Eastern Europe is not synonymous with the collapse of Marxism-Leninism. Grasping the revolutionary and scientific nature of Marxism-Leninism and making creative use of this in our country's specific conditions is the basic guideline in our ideological and theoretical work.

However, to understand Marxism-Leninism correctly, we must distinguish between what Marx, Engels, and Lenin said from the erroneous things that others have said in explaining their theory, which has transformed their theory. The arguments of Marx, Engels, and Lenin must be placed within the specific historical conditions of the time in which they advanced their arguments. This is the only way to correctly understand the issues posed by these men. Their arguments must be placed within the framework of a system; they cannot be separated. At the same time, they must be understood under the new light of the present age.

2. The essence and nature of the age:

There have long been many different views on this issue. Some people say that the present age is still a period of transition from capitalism to socialism on a worldwide scope, with this starting with the Russian October Revolution. This is true even though socialism as an international system with the Soviet Union as its pillar no longer exists. Others agree that the present age is a period of transition from capitalism to socialism on a worldwide scope, but they say that this must be explained more concretely in accord with the changes in the present situation. Specifically, attention must be given to: a. the influence of the scientific and technical revolution; b. capitalism has the potential to grow thanks to many factors (even though the basic conflicts of capitalism are becoming sharper and sharper; c. the rise of more than 100 newly independent countries; d. the appearance of urgent universal problems that are related to the fate of mankind; e. and the collapse of the international socialist system. Many people think that the present age must be defined in accord with the real situation and in accord with the scientific and technical revolution, which is having a great influence on social progress. This revolution has created an all-around crisis for both socialism and capitalism. Mankind is facing urgent problems that everyone must help to solve if we are to survive.

Through discussion and debate, those at the symposium said that even though realistic socialism in the Soviet Union and Eastern Europe has collapsed, the present age is still a period of transition from capitalism to socialism on a worldwide scope. This is an objective reality and the direction of movement and development of history. However, the manner of expression must be balanced.

3. On the theory of "economic and social structure":

Many people affirmed Marx' analysis concerning the evolution of man through economic and social structures, which holds that this started from historical materialism. This provides a firm basis for viewing the development of economic and social structures as a natural historical process. Some people said that this theory is correct, but that it needs to be supplemented, because when the theory was first formulated, Marx analyzed mainly Greek, Roman, and Western European societies. He was not able to study Asia or other places. The universal nature of this theory must be clarified. The analysis can also be supplemented by civilization. But if this approach based on civilization is made absolute and this leads to a rejection of the economic and social theory of Marx, that would be a mistake. Marx' theory on economic and social structures is correct. It is still the "foundation stone" of historical materialism. It reflects the laws of development of human society and is the methodological basis for examining specific historical viewpoints.

4. The historical significance of the theory of surplus value and the nature of modern capitalism:

Many people affirmed that Marx' theory of surplus value is still the foundation of his economic theory. This is still the basis for analyzing the changes in modern capitalist society. Others said that the theory of surplus value is of epochal significance and that it is still the basis for analyzing and understanding modern capitalism. However, Marx' arguments on the absolute impoverishment of the proletariat were correct only during during the time of free-competition capitalism. Today, there is only relative impoverishment. The theory of surplus value was correct only during the age of "industrial" capitalism. Now, in the period of "post-industrial" capitalism, this theory is no longer correct. Today, capitalism produces wealth not by exploiting the surplus value of the workers but by using modern techniques and technology (robots). Capitalism is accumulating many socialist factors, which is making capitalism more "humane."

Through discussing and debating the above ideas, those at the symposium affirmed that Marx' theory of surplus value still maintains its original value. Because in the final analysis, only with live laborers can surplus value be created. As for modern capitalism, the following must be clearly recognized: the effects of the scientific and technical revolution, the new development standards of the production forces, the new forms of production relationships in capitalism, and the fact that the working class in the capitalist countries has undergone a structural change (the middle class has expanded).

5. The historical mission of the working class:

It was affirmed that socialism will replace capitalism and that it is the working class that has this historical mission. But when talking about the historical mission of the working class, it must be understood that the concept "working class" includes those who have a working class consciousness and position. Reality shows that the great majority of the leaders of the working class are intellectuals with a working class consciousness and position. Some people criticized the view that the working class no longer has a historical mission as the representative of the new production formulas. That role now belongs to the intellectuals.

Those at the symposium analyzed the above ideas in great depth and unanimously agreed that even though capitalism has made changes and even though the structure of the working class has changed, the historical mission of the working class has not changed. Today, just as in the past, the working class is still being exploited by the capitalist class both intellectually and physically. The working class still represents modern production. Its historical mission is still to eliminate the yoke of capitalist exploitation and transform capitalist society into a more progressive and humane socialist society. Only with the working class will liberating the working class be viewed as tied to liberating all of society.

Concluding the symposium, on behalf of the council and the presiding officials at the symposium, Professor Nguyen Duc Binh evaluated the results of the 3-day symposium and mentioned the tasks that must be done following the symposium. He stressed that we agree on many of the problems but that we must continue to study and debate things. As for those issues on which there is a lack of agreement, the committees must continue to study things and organize discussions and debates. The council will reach conclusions in order to have a scientific basis for preparing high-quality instructional materials and satisfying the requirements in studying and teaching Marxism-Leninism and Ho Chi Minh thought in our country today.

* TAP CHI CONG SAN for January 1994

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Market Economy and the Leadership Role of the Party

943E0009A Hanoi TAP CHI CONG SAN in Vietnamese Jan 94 pp 29-33

[Article by Associate Professor Nguyen Phu Trong, M.A. in History]

[Text] In Vietnam, does the market economy require the party's leadership?

Today, some people are asking: Now that we have switched to a market economy, that is, an economy that operates based on the laws of value, supply and demand, and competition, why do we need the leadership of the party? They say that on many occasions, party leadership has hindered and interfered with the operation of the economy. In many places, the party organizations are falling apart but the economy has managed to hold its own and even expand well.

Those with such ideas look at just one aspect of the problem, and more importantly, they do not understand the nature and contents of building a market economy in our country.

As we all known, the party advocates expanding the market economy (in place of a state-subsidies economy involving bureaucratic centralism type control), but this is not an undisciplined market economy but a state-controlled market economy with a socialist orientation. That is, it is an economy whose real purpose is to foster a "wealthy people, strong state, and fair and civilized society." In the past, there were times when we did not correctly understand the meaning of a market economy, and a market economy was thought of as being synonymous with capitalism and incompatible with socialism. But reality has helped us to gradually understand that a market economy is not completely synonymous with capitalism and that switching to a market economy does not necessarily mean that you are following the capitalist path. Socialism must develop a commodity economy and apply market mechanisms. However, for socialism, a market economy is not everything but just a formula and measure for expanding the production forces. Expanding the production forces must go hand in hand with building suitable production relationships and building good relationships between people and a prosperous, compassionate, and kind society.

Today, there are various theoretical issues that we must continue to study in depth. Only based on reviewing the realities can we gradually improve and clarify things. But concerning the basic points, it can be said that a socialist-oriented market economy differs from a capitalist market economy in the following ways:

The ownership system: Under capitalism, the foundation is private capitalist ownership. But in our country today, we are varying the forms of ownership based on a system of public ownership of the main means of production.

Economic elements: Under capitalism, there are many forms (including a state economy, joint enterprises, state capitalism, and so on) that are controlled by the bourgeois state and directed by private capitalists. In Vietnam today, there are many forms, too, but they are controlled by the socialist state—meaning a state that is truly of the people, by the people, and for the people—and the state and collective economies are playing a greater and greater pivotal role and directing things.

The management system: Under capitalism, the markets are characterized by spontaneous and free competition. Even though the state regulates things, intervenes, and formulates plans, this is not the basic tendency. In our country today, while steps must be taken to stimulate and create the conditions for exploiting the positive role of the market mechanism, there must also be strong and positive intervention by the state (through plans, policies, laws, and economic strength) in order to regulate and guide things and limit the negative aspects of the market mechanism.

The distribution system: Under capitalism, distribution is based primarily on capital and serves the interests of the capitalists. In our country today, we are using many forms of distribution, primarily distribution based on labor and economic results. We are both encouraging the laborers and providing basic social welfare services.

Social policy: Capitalism came into being by initially accumulating things through plundering. Because of this, it "has much blood on its hands." Today, the capitalist countries have made some changes, but because of its nature, capitalism cannot resolve the basic conflicts, do away with the cruel exploitation of laborers, narrow the gap between rich and poor, or end the cruel injustices. In our country today, while the market economy is expanding, exploitation must be limited and economic growth must be tied to social fairness. Also, encouraging people to become wealthy legally must be tied to eliminating poverty. From the very beginning when the economy is not highly developed, attention must be given to social policies and to maintaining the morals and color of the national culture.

In summary, we advocate expanding the market economy, but it must not be allowed to operate spontaneously and blindly. Instead, it must be led, guided, and regulated. The positive aspects must be exploited, and the negative aspects must be limited for the interests of the majority of the laboring people and for a just and civilized society. The entity with the ability to do this is none other than than the communist party, a party that struggles for socialist and communist ideals and that really represents and protects the interests of the working class and laboring people. The leadership of the party is the decisive factor in maintaining a socialist orientation for our market economy and the entire development of our country.

Recently, some people were very happy when Vietnam switched to expanding a market economy, but they hoped that that would be a "free, privatized market economy," that is, a capitalist market economy. People have done everything they can to push us into the capitalist orbit. They think that by encouraging Vietnam to have a "market economy," the economy will determine politics and that changing the economic system will lead to changes in the political system. On one hand, they praise a market economy, and on the other hand, they actively criticize and reject the leadership of the communist party. Enemy forces are implementing "peaceful changes" and trying to attack the leadership of the communist party with the aim of doing away with the socialist orientation of our market economy and eventually eliminating socialism. In Vietnam and among a number of Vietnamese living abroad, some people have openly demanded that the Communist Party of Vietnam abandon its leadership role. The realities in the Soviet Union and Eastern Europe show that once the communist party collapses, socialism will disappear and the economy will not have a socialist orientation. The Western capitalist countries are very pleased by this. They are doing everything possible to foster this tendency. Unfortunately, among our ranks, a number of people are vacillating, and they have been fooled by these tricks.

Why is there just one leading party here?

Some people have argued that a market economy is a multi-faceted economy. Each element corresponds to a particular class or stratum and each class or stratum has a corresponding party or political organization. Thus, in Vietnam, why do we advocate having just one leading party? Having a multi-faceted economy but just one leading party is a "contradiction," a "paradox." They have demanded that we implement political pluralism and eliminate one-party leadership. According to them, this is the only way to bring about democracy.

First of all, it must be noted that we have not just said "oppose party pluralism." Because there are many things about pluralism, understood in its broadest and fullest sense, that must be opposed and avoided. We are varying the ownership forms and forms of distribution and pluralizing foreign relations. We advocate developing a multi-faceted economy and having multi-faceted information. Our country has had many parties. If the parties have the same goal and focus on the same basic interests (for example, the communist party, the democrat party, and the socialist party all survived in our country for a long time) and they accept the leadership of the communist party, there is nothing to reject. But we cannot accept political pluralism and opposition parties. That is, we cannot accept opposition organizations and factional tendencies that would destroy the unity of the party and the revolution of the people.

We have not used the word "oppose." Because in each country, the situation at any given time is different, and the level of democracy and specific conditions are different. There may be countries that need to use a "pluralistic" and "multi-party" system. That is the internal affair of each country.

What we have said is that Vietnam does not have the objective conditions to accept political pluralism and opposition parties. This is because the political situation, socioeconomic standards, people's standard of culture, and laws in our country do not permit this. The war here ended just recently. Our country needs political stability, solidarity, and unity in order to build and expand the economy. The enemy forces are watching, implementing a policy of encirclement, and trying to destroy the just cause of our people. Within the country, there are reactionary elements who were punished by the revolution. If we accept political pluralism and opposition parties, that would be tantamount to enabling these reactionary forces to rise up and legally carry on activities opposing the fatherland, the people, and the system. That is something that the people certainly cannot accept.

In recent interviews and speeches in the United States, even Nguyen Cao Ky, a strong anti-communist who once served as the premier of the Republic of Vietnam, said that "if a poor and backward country like Vietnam follows the American model of democracy in all respects, that will just lead to disorder, smuggling, and prostitution." He said that 30-40 years ago, Taiwan, Korea, and Singapore "arose from a single-party system," and they "did not tolerate opposition." The main purpose of such a system was to enable them to create political and social stability and create the necessary preconditions for developing a market economy. Those countries have "succeeded brilliantly and built a strong economy." "They have become democratic and progressive countries that serve as a model for underdeveloped, third-world countries." [Footnote 1] [See TIME, 7, 8 November 1992 and VIETNAM, 7 November 1992]

Reality shows that in countries that have implemented political pluralism and that have allowed opposition parties, there is often instability or there may be coups. A number of people who have studied international political systems have summarized and revealed figures proving that of the 23 countries that have a one-party system, 19 are stable countries and 4 are relatively stable. None were unstable. Of the 26 countries that had a multi-party system, 11 were stable, 2 were relatively stable, and 13 were unstable. In a number of Eastern European countries and the former Soviet Union, after they implemented political pluralism and permitted opposition parties, there was great turmoil and bloody warfare. These countries experienced a serious economic crisis and were unable to develop, and the standard of living of the people declined.

Recently, some people have said that not implementing "party pluralism" is undemocratic and that the level of democracy of a country is manifested by the existence of many parties. In my view, such a view is incorrect. The existence of many parties is not an index of whether a society is or is not democratic or how democratic it is. South Vietnamese society during the American-Diem period had many parties such as the Can Lao, Nhan Vi, Duy Linh, and Democrat parties, and there were hundreds of political and social organizations. But it cannot be said that that society was democratic, and it cannot be said that that society was more democratic than the present society. In my view, the democratic character and level of a country and society are determined primarily by the degree to which the ownership rights of the majority of the people are manifested and the degree to which the interests and will of the majority of people (meaning the laboring people) are implemented in society. Democracy is a manifestation and implementation of the ownership rights of the people. The administration is in the hands of the laboring people, and it defends and serves the interests of the laboring people and exploits the intelligence, energy, and creativity of the people. Democracy has nothing to do with how many parties there are.

We are switching to a multi-faceted economy, but as mentioned above, this is a socialist-oriented multi-faceted economy that is controlled and regulated by the state. Because of this, just because there are many economic elements, there doesn't have to be many opposing classes and many political parties.

The "many party" arguments of the anti-communist forces are actually aimed at reducing or eliminating the leadership of the communist party, creating turmoil and disorder in the country, and toppling the regime. That is their only objective. People have spread rumors and demanded "democracy," "pluralism," "many parties," and "human rights" as a front for implementing their insidious plot of creating turmoil and destroying things from within.

Moreover, do those countries and people who are calling for "pluralism and many parties" really accept those organizations and forces that oppose them? Why do they advocate killing communist leaders, annihilating those who oppose them, and suppressing movements opposing the regime? Before they seize power, people praise "democracy," "pluralism," and "many parties," but after they have seized power and eliminated the leadership of the communist party, they immediately ban activities by the communist party, place communism outside the law, demand that the assets of the party be nationalized, close the offices of the party, burn down the offices of the party central committee, and look for ways to take revenge on and eliminate communist party members. Why is this? After they seize power, they no longer talk about "pluralism and many parties."

The Communist Party of Vietnam has never imposed its monopolistic leadership role. To have the people recognize it as the leader, the party has undergone a long and difficult struggle filled with challenges and sacrifices. Hundreds of thousands of outstanding people of the party and nation have fallen. Establishing the leadership of the party is the fruit of the revolutionary struggle waged by the working class and the entire Vietnamese nation. Although there have been times when the party made mistakes, because it promptly admitted and corrected its shortcomings, the party still has the trust of most people. To date, no one can refute the leadership role of the Communist Party of Vietnam, and there is no other political force besides the Communist Party of Vietnam with the capabilities and conditions to lead the Vietnamese revolution. Only the imperialists and reactionaries are slandering the party and trying to reduce its prestige and eliminate its leadership role. Only a dolt would reject the revolutionary achievements scored by his people and want to create opposition parties, thinking that that is democratic freedom.

The leadership contents and methods of the party in a market economy:

As the only party with the power to lead all of society in market economy conditions, the Communist Party of Vietnam clearly recognizes its responsibilities to the country and people and the honor given it. The party is responsible for correctly determining the direction, targets, and path of the country, and it is responsible for the prosperity of the nation. It leads the entire political system and social apparatus, above all the state and organizations, in hitting the targets and fulfilling the tasks pointed out, leads the systematization and promulgation of party resolutions as laws, designs the apparatus, trains and assigns cadres, controls and trains cadres to support carrying out the political tasks, controls the implementation of the party's policies and lines, reviews practices, and revises and perfects the lines and policies. Everything is aimed at maintaining a correct political character and orientation on the country's path forward and on the nation's path of development.

In the economic sphere, the party points out economic development lines and strategies, ensures the political character in the development of the economy, enables the economy to grow at a rapid pace, have high labor productivity, and have larger and larger production forces in line with a socialist orientation, limits injustices and exploitation, and looks after and protects the interests of the laboring people. This is manifested not only at the central echelon and in the macrocosmic leadership and management activities but also in each party cell. Every party base and every cadre and party member is responsible for ensuring that the party's political guidelines are understood thoroughly in all economic and social activities. These are functions that no one but the party can carry out.

The leading tasks of the party committee echelons are to lead and control things and directly struggle to implement the policies and lines of the party effectively and to ensure that all the economic elements follow the socialist guidelines and do not slip out of the socialist orbit. The party committee echelons, party chapters, and party members at the state enterprises, collective economic units, and joint and private enterprises are responsible for leading the masses and mass organizations in striving to put the party's resolutions into life, struggling to implement the stipulations of the party and the laws of the state, protecting the legitimate rights and interests of the workers and laborers, opposing barbaric acts of exploitation, and opposing beating laborers or treating them harshly.

Naturally, in today's conditions, the party cannot lead and operate using the old formulas. The party must maintain its leadership role. It cannot relax or reduce its leadership role. At the same time, it must exploit the role of the administrative organizations, economic organizations, and mass organizations. A distinction must be made between the leadership of the party and the management of the administrative organizations and between administrative management and management of commercial production. The party committee echelons must not become overly involved in or perform the daily management functions of the administration or economic organizations. The party provides concrete and close leadership but it must not become involved in carrying out things and giving orders. It must lead through the party members and party organizations. Party members who are assigned to state organizations and economic organizations must act in accord with the program and line of the party and implement the principle of democratic centralism. The party's organizational system must be solidified and streamlined, and it must provide clear, quick, and dynamic leadership in accord with the market mechanism. The party must lead using democratic methods and persuasion. The cadres and party members must set an example in implementing the resolutions of the party and the laws of the state, and they must regularly mobilize and persuade people outside the party. The party organizations must renovate their activities and operations to make them more dynamic, reduce the number of unnecessary meetings, strengthen on-the-spot control and guidance, and monitor the bases closely.

The basic and decisive conditions for ensuring that the party provides good and effective leadership are that the party must be really pure and strong politically, ideologically, and organizationally, and it must be very close to the people and have the trust and support of the people. In the present situation, the party must have strong political capabilities, adhere firmly to the targets and ideals, have intelligence and knowledge, have adequate information, and have the ability to handle complex problems promptly and correctly.

The party must build a tight organizational system with a small but strong apparatus, including a system of law-governed state organizations and mass organizations.

The party must have excellent and loyal staff organizations to help do the work. These must have the ability to analyze and integrate things, propose solutions, and control and evaluate projects.

The party must build a rank of loyal and devoted cadres and party members who have good moral qualities and leadership and managerial capabilities, who are knowledgeable about and can manage the economy, who are knowledgeable about the law and can manage the state using the laws, and who can adjust to markets quickly and enthusiastically.

All cadres and party members must give attention to improving their political quality, adhere to the guidelines and paths decided on, improve their intellectual standards and work capabilities, study regularly, improve their revolutionary ethics, live a wholesome life, and strive to eliminate corruption and other degenerate phenomena within the party. Only by resolutely removing the tumors in its own body (regardless of how painful this is) can the party develop in a wholesome and vigorous manner.

Once the party is strong and robust, has internal solidarity, unity and tight discipline, and has the trust and support of the people, there will not be any obstacle that the party can't overcome or anything that the party can't do.

Tay Ninh Province Carries on Party Renovation, Reorganization

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[Article by Nguyen Van Rop, Tay Ninh Province CPV secretary]

[Text] Tay Ninh Province has a very important position in the southwestern part of the fatherland and in eastern Nam Bo. It served as a revolutionary base during the periods of resistance. Thus, during the war, Tay Ninh was an area where the enemy frequently launched attacks and sweeps. The material base and infrastructure, which were weak to begin with, suffered great damage. After the south was completely liberated, Tay Ninh had to cope with the border war started by the Khmer Rouge. Tay Ninh really started rebuilding only at the beginning of the 1980s.

Tay Ninh's border with Cambodia runs for 240 km. Recently along the border, there have frequently been cases of smuggling, encroachments on the land, armed robberies, and disturbances. Many overseas Vietnamese living in Cambodia have been terrorized by the Khmer Rouge and have had to take refuge here, which has made the situation even more tense and complex.

There are many religious groups in Tay Ninh Province, and this is where the Vatican, or "capital" of the Cao Dai religion is located. The followers of the Cao Dai religion make up more than 30 percent of the province's population. The counterrevolutionaries and bad elements frequently make use of the Cao Dai religion, disguise themselves as religious followers, and plot to destroy the revolutionary regime.

This situation and these special characteristics mean that we must regularly solidify and build the party and revolutionary forces, maintain political security, order, and social safety, and stabilize and develop the economy and society. After the seventh party congress and the fifth congress of the provincial party organization, Tay Ninh made many positive changes, but there are still a number of shortcomings and weaknesses. The most striking thing is that some cadres and party members are wavering with respect to their ideological position, their confidence and combat will power has declined, their quality has declined, their way of life has become degenerate, they have become remote from the masses, and they violate party discipline and the laws of the state. From 1989 to November 1992, a total of 1,304 party members committed disciplinary violations. Among these were committee chairmen and vice chairmen and sector heads in the province, members of district Communist Party of Vietnam standing committees, and members of party committees directly subordinate to the province.

Although the apparatus has been solidified somewhat, it is still not strong enough, particularly at the base, village, and subward echelons and in the economic units. The staff committees of the party committee echelons are generally weak. The district echelon is both weak and unstable. As of September 1992, 11.59 percent of the party bases in the province were weak. In the border villages, 15.78 percent of the party bases were weak, and 10.4 percent of the hamlets did not have any party members on the spot. Only 7.3 percent of the party members came from religious families.

Cadres are not selected, trained, assigned, or used rationally. A number of sectors lack key cadres and cadres with technical capabilities. As of September 1992, 18.99 percent of the key cadres at the primary, district, and city levels had only a level-I cultural standard; 86 percent of the cadres who lead and manage sectors in the province, districts, and cities had not attended advanced schools or college. For many reasons, many cadres at the primary level lack enthusiasm and are not at ease in their work.

Because of the lack of work regulations or because people do not follow the regulations, in many places the relationship between the party committee echelons and the people's councils and between the party committees and the authorities and mass organizations are "skewed" and they "overlap each other." At the same time, a number of spheres lack party leadership.

After the resolution of the Third Plenum of the CPV Central Committee was issued, we made an effort to continue renovating and reorganizing the party and overcome the shortcoming and weaknesses. We organized things to implement the resolution of the third plenum and viewed this as an important step in establishing order in order to implement the party's resolutions. After accepting the resolution at the central echelon, the standing committee of the provincial CPV committee organized things to study and thoroughly understand the resolution and immediately formulated an action program. After that, we organized meetings for the key cadres from the provincial to the primary echelons to help them thoroughly understand the resolution of the central echelon and the action program of the province. Based on that, the district, city, and primary-level party committees formulated their own action programs.

The striking points in understanding the resolutions and formulating action programs this time are: Implementing the party resolutions has been tied to carrying out the political tasks and solving the pressing economic and social problems of the localities. We view economic development as the central task. Party construction is a key task, and security and national defense work is an important and regular task. The decisive element is organization-cadre work.

The party committee echelons are giving much attention to formulating action programs. The provincial guidance committee has directly contributed ideas to the action programs of the districts, and party committees directly subordinate to the province and bases have been chosen to serve as test points. In providing guidance, the standing committee of the provincial party committee has given much attention to ensuring that cadres outside the party and the masses thoroughly understand the resolution. As of March 1993, the resolution had been disseminated to 135,268 people (approximately 16 percent of the population).

In order to provide close and timely guidance, the provincial CPV committee has established a committee to guide disseminating the resolutions. This committee consists of a number of members of the standing committee of the provincial CPV committee, and it is chaired by the deputy secretary of the standing committee. We have also established work teams consisting of talented cadres from the party committees in order to directly help, guide, and monitor the target districts and bases. In the districts and cities, the party committees directly subordinate to the province are carrying on similar activities. As for military party committees, we have not established guidance committees. Instead, the standing committee of the provincial military party committee is providing direct guidance. Besides this, the provincial CPV committee and the party committee echelons directly subordinate to the province have assigned party committee members at each echelon the task of monitoring and guiding a particular base. Today, at 127 of the 425 party bases, provincial or district party committee members are monitoring and guiding the implementation of the resolution of the Third Plenum of the CPV Central Committee.

As for selecting guidance points, the province has selected one border district (Ben Cau District), one inner district (Hao Thanh District, where 98 percent of the people are followers of the Cao Dai faith), one border village, one inner village, a party chapter of the provincial people's organ of control, a party chapter of the Sugar Cane Corporation, and a party organization in the Tax Department. The party organizations directly subordinate to the province have also selected 31 bases to serve as test points.

After carrying out the resolution of the Third Plenum of the CPV Central Committee for more than a year, although there are still many limitations, we have achieved a number of results:

The majority of party members, cadres outside the party, and masses see the urgent requirements and have grasped the basic contents of renovating and reorganizing the party. Most party members and people agree with the decrees of the central echelon and regard renovating and reorganizing the party as a particularly important and urgent task that is decisive for building and defending the country and that is decisive with respect to the fate of the party. With this understanding, the party members and masses have actively participated in the work of the party. The sense of responsibility of most party members has been elevated, and their party concepts have been improved. This is a major and fundamental achievement that has long-term significance. Without this great response and participation, the party committee echelons would not be able to achieve good results in building the party.

Because of having integrated plans and good organization, many places have solved various problems and made new changes. The party committee echelons have grasped the real state of affairs of the cadres and party members and the strengths and weaknesses of each party base. Thus, when engaging in self-criticism and criticism in accord with Directive 14-CT/TW of the Secretariat of the CPV Central Committee, they have dealt promptly with a number of party committee echelon members and party members who had long been committing violations. They have assigned tasks to party members who had not assigned tasks previously. There is a closeness between retired party members and party members now holding positions, and they are coordinating things, which is helping to strengthen the party bases. The changes in understanding have led to changes in action. Many people have confidence in the party and want to join. During the first six months of 1992, the province recruited 191 party members, and during the first six months of 1993 it recruited 234 party members. A number of "white hamlets" have been eliminated, and primary-level administration and primary-level organizations have been solidified somewhat.

The party bases have begun to be solidified and reorganized (29 bases have been disbanded, and 22 new bases have been established). All of the bases have action programs. These action programs have been thoroughly reviewed by higher echelons, and the masses have contributed ideas to them. Because of this, they are both practical and suitable, and this has improved the quality of the activities of the party bases. More than 93 percent of the various-echelon party committees have completed making reviews and begun making good changes on many fronts. Almost all of the party committees directly subordinate to the province have expanded on the decisions of the Politburo and Secretariat of the CPV Central Committee and the guidelines of the Organization Department of the provincial CPV committee on the functions, tasks, and work regulations of the various types of party bases and on the requirements and contents in examining strong party bases.

The party committee echelons have given special attention to transforming cadre work, from renovating viewpoints on evaluating and training cadres to renovating the procedures and policies on compensating cadres. Based on examining and evaluating the cadres, the party committee echelons have formulated plans to train nearby cadres. The standing committee of the provincial CPV committee has guided those in charge of the blocks, committees, sectors, districts, cities, and party committees directly subordinate to the province in grasping the real situation and evaluating the key cadres who hold position, cadres in line, and cadres with aspirations in order to examine the entire system and formulate plans to fundamentally rearrange and reorganize things.

Never before has Tay Ninh Province had such theoretical, political, and technical training campaigns. Besides sending cadres to train at schools and to attend classes at the central echelon and at the zone, the province is also opening advanced on-the-job theoretical and political classes. The provincial party school has opened seven middle-level theoretical and political classes in the province and in the districts. Among these is one for scientific and technical cadres who are not party members. Besides this, many cadres have been sent to attend regular and on-the-job technical and professional classes at colleges and on-the-job training centers.

Although the budget is still limited, the province has decided to temporarily provide allowances to primary-level cadres based on a fixed number. Specifically, the maximum number for each village and subward is 33, including: party block, 4; organizations, 10 (youth union: 2; Veterans Association: 1; Red Cross: 1); people's council, 1; people's committee, 3; and technical sectors, 15. Each hamlet has also been allotted two for the party chapter secretary and the head of the hamlet management board. The allowance system is being carried out in a unified manner: The village and subward secretaries and chairmen receive an allowance equal to the salary of the deputy bureau chief at the district level. Those of the party chapter secretaries and heads of the hamlet management boards are equal to the salary of village sector heads. In addition to the general stipulations, the border villages and key villages have been given a number of additional allowances. Although they do not match the labor of the primary-level cadres, these initial allowances have increased the enthusiasm of these people, given them peace of mind, and involved them deeply in the movements.

Because of the results achieved in party renovation and reorganization, Tay Ninh has had positive economic and social changes. As compared with previous years, since 1992, on many fronts Tay Ninh has made clear progress, and the rate of economic growth has been good. As compared with 1991, the 1992 gross social product increased 8.7 percent, the national income increased 10 percent, and the value of agricultural yields increased 10.5 percent. Paddy yields reached 295,000 tons, the highest ever, averaging 309 kg of paddy per person per year. During the first 6 months of 1993, agricultural production increased in terms of both area and yields. As compared with the same time last year, the crop growing area has increased 4 percent. In this, the rice area has increased 7 percent, the manioc area has increased 11 percent, and the peanut area has increased 3 percent.

The cultural and social spheres have made clear progress, too. Based on satisfactorily implementing the resolution of the Third Plenum of the CPV Central Committee, the province has implemented the resolutions of the fourth and fifth plenums of the CPV Central Committee, guided the sectors and echelons in formulating work programs, solved the urgent social problems, and improved the quality of the activities of the village literary blocks. What is worth noting is that the program to eliminate poverty has achieved good results and had a practical effect. The echelons, sectors, mass organizations, and people have responded to the movements, and many assets (of the state, social organizations, and people) have been mobilized. Most of the poor households now have capital to carry on production and engage in commercial and service activities. These households are being stabilized, and their standard of living is gradually rising. The number of poor households in the province has clearly declined. Today, the assets of this program have reached 50 billion dong. A total of 23,215 households have been given loans and provided jobs in production, business, and service occupations. The number of households that lack food is declining daily.

Although this is a complex area where the enemy continues to implement plots to destroy the revolution, because the echelons and sectors in Tay Ninh have concentrated on providing leadership and guidance and invested much in security and national defense work, political security, order, and social safety here has been maintained. There have not been any major disturbances recently, and the evil plots of the destructive groups have been discovered and blocked in time. During the past period, social evils have declined greatly.

The initial results achieved by Tay Ninh in building the party prove that:

Renovating and reorganizing the party must also be tied to stabilizing and developing the economy and society and maintaining security and national defense. Solidifying the primary-level party organizations and improving the quality of the party members must go hand in hand with solving the pressing problems in the localities and at the bases.

In order to have a suitable plan of action, an all-around survey must be conducted from the party bases. The people must be allowed to contribute ideas to and discuss the action programs so that they can implement the programs along with the party. This will help create a close relationship between the party and the people.

Cadre work is always the key element in party renovation and reorganization. We must understand the cadres and party members, know the strengths and weaknesses of each person, formulate plans for recruiting, training, assigning, and using people, and have suitable compensation procedures and policies in order to create the conditions and mobilize people to satisfy the new needs of the revolution.

At present, Tay Ninh still has many difficulties, but the results that we have achieved in the past period have generated momentum for the next steps on the path of carrying on renovation.